



### MCON RASAYAN INDIA LIMITED

**Registered Office:** 101/A, 1<sup>st</sup> Floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Goregaon West, Near Ayyappa Temple, Mumbai 400090, Maharashtra, India.

**Telephone No.:** +91 86559 88698; **CIN:** L24304MH2016PLC286140

**Contact Person:** Ms. Aesha Karan Shah, Company Secretary and Compliance Officer

**Email:** [compliance@mconrasayan.com](mailto:compliance@mconrasayan.com); **Website:** [www.mconrasayan.com](http://www.mconrasayan.com)

Our Company was originally incorporated as 'MCON Rasayan Private Limited' a private limited company under the Companies Act, 2013 at Mumbai, pursuant to a certificate of incorporation dated September 22<sup>nd</sup>, 2016, issued by the Registrar of Companies, Mumbai ("RoC"). Thereafter, name of our Company was changed from 'MCON Rasayan Private Limited' to 'MCON Rasayan India Private Limited' and a fresh certificate of incorporation was issued by the RoC, Mumbai on October 17<sup>th</sup>, 2022. The name of the company was further changed from "MCON Rasayan India Private Limited" to 'MCON Rasayan India Limited', consequent to conversion of our Company from private to public company, pursuant to a special resolution passed by the shareholders of our Company on October 18<sup>th</sup>, 2022, and a fresh certificate of incorporation consequent to change of name was issued by the RoC, Mumbai on December 12<sup>th</sup>, 2022. Our Company's Corporate Identity Number is L24304MH2016PLC286140. For further details, please read "General Information" on page 133.

Our Company is issuing 10,19,000 equity shares of face value ₹10/- each (the "Equity Shares") at a price of ₹ 157.00 per Equity Share (the "Issue Price"), including a premium of ₹ 147.00 per Equity Share, aggregating ₹ 1599.83 Lakhs (the "Issue"). For further details, see "Summary of the Issue" on page 27 of this Placement Document.

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

**OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT TO ELIGIBLE QIBs (AS DEFINED BELOW) IS BEING DONE IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OR CATEGORY OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBs. THIS PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES. YOU MAY NOT AND ARE NOT AUTHORIZED TO (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENT OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT AND THE RULES MADE THEREUNDER OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.**

**INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE SECTION "RISK FACTORS" BEGINNING ON PAGE 34 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES TO BE ISSUED PURSUANT TO THIS PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT (AS DEFINED HEREINAFTER). PROSPECTIVE INVESTORS SHALL CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND OUR COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PLACEMENT DOCUMENT AND/OR THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT OWN ADVISORS.**

The Equity Shares are listed on EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"). The closing prices of the outstanding Equity Shares on NSE as on November 06, 2024 was ₹ 190.35 per Equity Share. Our Equity shares are traded in lots. In-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, for listing of the Equity Shares to be issued pursuant to the Issue have been received from NSE on November 07, 2024. Our Company shall make applications to the Stock Exchange for obtaining the final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchange assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchange should not be taken as an indication of the merits of our Company or of the Equity Shares.

A copy of this Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereafter) has been delivered to

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

Invitations for subscription, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to this Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, see "Issue Procedure" beginning on page 100 of this Placement Document. The distribution of this Placement Document or the disclosure of its contents without our Company's prior consent to any person, other than Eligible QIBs to whom this Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of the Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Placement Document or any documents referred to in this Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdiction where those offers and sales are made. For the selling restrictions in certain other jurisdictions, please see "Selling Restrictions" on page 112 of this Placement Document. Also see, "Transfer Restrictions" on page 118 of this Placement Document for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

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

**This Placement Document is dated November 11, 2024**



**GYR Capital Advisors Private Limited  
BOOK RUNNING LEAD MANAGER**

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## NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for the information contained in this Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to our Company and the Equity Shares, which is material in the context of the Issue. The statements contained in this Placement Document relating to our Company and the Equity Shares are, in all material respects, true and accurate and not misleading, and the opinions and intentions expressed in this Placement Document with regard to our Company and the Equity Shares are honestly held, have been reached after considering all relevant circumstances, are based on reasonable assumptions and information presently available to our Company. There are no other facts in relation to our Company and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. The information contained in this Placement Document has been provided by our Company and other sources identified herein. Unless otherwise stated, all information in this Placement Document is provided as of the date of this Placement Document and neither our Company nor the BRLM has any obligation to update such information to a later date.

This Placement Document is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the particular securities described herein. Distribution of this Placement Document to any person other than the Eligible QIBs specified by the Book Running Lead Manager or its representatives, and those persons, if any, retained to advise such investor with respect thereto, is unauthorized, and any disclosure of its contents, without prior written consent of our Company, is prohibited. Any reproduction or distribution of this Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and make no copies of this Placement Document or any offering material in connection with the Equity Shares.

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

No person is authorized to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorized by or on behalf of our Company or on behalf of the BRLM. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as at any time subsequent to its date.

The distribution of this Placement Document and the issue of Equity Shares may be restricted in certain jurisdictions by applicable laws. As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. In particular, except for India, no action has been taken by our Company and the BRLM that would permit an offering of the Equity Shares or distribution of this Placement Document in any jurisdiction, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For a description of the restrictions applicable to the offer of the Equity Shares in the Issue in certain jurisdictions, see "Selling Restrictions" and "Transfer Restrictions" on page 112 and 118, respectively.

**The Equity Shares have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction including the United States Securities and Exchange Commission, any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.**

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdiction where those offers and sales are made. For the selling restrictions in certain other jurisdictions, please see "Selling Restrictions" on page 112. Also please refer, "Transfer Restrictions" on page 118 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

In making an investment decision, the prospective investors must rely on their own examination of our Company and the Equity Shares and the terms of the Issue, including merits and risks involved. Prospective investors should not construe the contents of this Placement Document as legal, business, tax, accounting or investment advice. Prospective investors should consult their own counsel and advisors as to business, investment, legal, tax, accounting and related matters concerning this Issue. In addition, our Company and the BRLM are not making any representation to any investor, purchaser, offeree or subscriber of the Equity Shares in relation to this Issue regarding the legality of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Placement Document, you should consult an authorized financial advisor and/or legal advisor.

Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations,

Section 42 of the Companies Act and other provisions of the Companies Act, and that it is not prohibited by SEBI or any other regulatory, statutory or judicial authority, in India or any other jurisdiction, from buying, selling or dealing in securities including the Equity Shares. Each investor, purchaser, offeree or subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

The Company does not undertake to update the Placement Document to reflect subsequent events after the date of the Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with the Company. Neither the delivery of this Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Company since the date hereof.

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

This Placement Document contains summaries of certain terms of certain documents, which summaries are qualified in their entirety by the terms and conditions of such document. The information on our Company's website, viz, [www.mconrasayan.com](http://www.mconrasayan.com), or any website directly or indirectly linked to our Company or on the website of the BRLM or any of their respective affiliates, does not constitute nor form part of this Placement Document. Prospective investors should not rely on such information contained in, or available through, any such websites. The Company agrees to comply with any undertakings given by it from time to time in connection with the Equity Shares to the Stock Exchange and, without prejudice to the generality of foregoing, shall furnish to the Stock Exchange all such information as the rules of the Stock Exchange may require in connection with the listing of the Equity Shares on the Stock Exchange.

## NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information to investors in certain other jurisdictions, please refer "Selling Restrictions" and "Transfer Restrictions" on page 112 and 118 respectively for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

## REPRESENTATIONS BY INVESTORS

All references herein to “you” or “your” in this section are to the prospective investors in the Issue. By bidding for and/or subscribing to any Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged and agreements set forth in the sections “**Notice to Investors**”, “**Selling Restrictions**” and “**Transfer Restrictions**” on pages 4, 112 and 118, respectively, and to have represented, warranted, acknowledged to and agreed with our Company and the BRLM, as follows:

- You are a “**Qualified Institutional Buyer**” as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013, and all other applicable laws; and (ii) comply with all requirements under applicable law in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;
- You are eligible to invest in India under applicable laws, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets in India;
- If you are not a resident of India, but a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office), having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable law, including the SEBI FPI Regulations, FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws;
- You are aware that in terms of the SEBI FPI Regulations and the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectorial cap applicable to the sector in which our Company operates. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate investment by FPIs in our Company does not exceed the sectorial cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations;
- You will provide the information as required under the provisions of the Companies Act, the PAS Rules and applicable SEBI ICDR Regulations and rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue;
- If you are Allotted Equity Shares, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges;
- You are aware that this Placement Document and the Placement Document has not been and will not be filed as a prospectus with the RoC under the Companies Act, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed, verified or affirmed by the RBI, SEBI, the Stock Exchange, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs;
- You are aware that this Placement Document has been filed, and the Placement Document will be filed, with the Stock Exchange for record purposes only and this Placement Document and the Placement Document will be displayed on the websites of our Company and the Stock Exchange;
- You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorisations and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Placement Document), and will honour such obligations;
- You are aware that, our Company, the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates are not making any recommendations to you or advising you regarding the suitability of any transactions that you may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the BRLM. The BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents, associates or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in a fiduciary capacity;

- You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the "**Company Presentations**") with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the BRLM may not have knowledge of the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the BRLM have advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;
- Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made on the basis of any information, which is not set forth in this Placement Document;
- You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;
- You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and will be credited as fully paid and will rank pari passu in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared;
- All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our Company, or our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. You are aware that, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. Such forward-looking statements are based on numerous assumptions regarding our Company present and future business strategies and environment in which our Company will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Placement Document. Neither our Company nor the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates assume any responsibility to update any of the forward-looking statements contained in this Placement Document;
- You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category other than Eligible QIBs and the Allotment of the same shall be at the sole discretion of our Company, in consultation with the BRLM;
- You are aware that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document, as applicable. However, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM;
- You are aware that if you are Allotted more than 5% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchange and the Stock Exchange will make the same available on their website and you consent to such disclosures;
- You have been provided a serially numbered copy of this Placement Document and have read it in its entirety; including, in particular, "Risk Factors" on page no 34;
- In making your investment decision, you have (i) relied on your own examination of the Company, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, the Equity Shares and the terms of the Issue based solely on and in reliance of the information contained in this Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsel and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;
- Neither our Company nor the BRLM nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the BRLM or any of their shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, our Company, the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;
- You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of your investment in the Equity Shares, (ii) will not look to our Company and/or the BRLM or any of their respective shareholders, directors, officers, employees,



counsel, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares; and (vi) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute. You are aware that investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore a speculative investment;

- If you are acquiring the Equity Shares to be issued pursuant to the Issue for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to "you" to include such accounts;
- You are not a "promoter" (as defined under the Companies Act and the SEBI ICDR Regulations) of our Company and are not a person related to any of our Promoters, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any of our 'Promoters', or members of our 'Promoter Group' (as defined under the SEBI ICDR Regulations) or persons or entities related thereto;
- You have no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on our Board, other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares;
- You agree that in terms of Section 42(7) of the Companies Act and Rule 14 of the PAS Rules, we shall file the list of Eligible QIBs (to whom this Placement Document will be circulated) along with other particulars including your name, complete address, phone number, e-mail address, permanent account number and bank account details, including such other details as may be prescribed or otherwise required even after the closure of the Issue with the RoC and SEBI within 30 days of circulation of this Placement Document and other filings required under the Companies Act, 2013;
- You will have no right to withdraw your Bid or revise your Bid downwards after the Bid/Issue Closing Date (as defined hereinafter);
- You are eligible to Bid for and hold the Equity Shares so Allotted, together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible, as per any applicable regulation;
- The Bid made by you would not ultimately result in triggering an open offer under the SEBI Takeover Regulations (as defined hereinafter) and you shall be solely responsible for compliance, if any with all other applicable provisions of the SEBI Takeover Regulations;
- Your aggregate equity shareholding in our Company, together with other Allottees that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:
  1. Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary or holding company and any other Eligible QIB; and
  2. 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;
- You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares to be issued pursuant to this Issue, are issued by the Stock Exchange;
- You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchange, were made and an in-principle approval has been received by our Company from each of the Stock Exchange, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares will be obtained in time or at all. Neither our Company nor the BRLM nor any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;
- You are aware and understand that the BRLM have entered into a Placement Agreement with our Company whereby the BRLM have, subject to the satisfaction of certain conditions set out therein, undertaken to use their reasonable efforts to procure subscriptions for the Equity Shares on the terms and conditions set forth therein;
- You understand the contents of this Placement Document are exclusively the responsibility of our Company and that neither the BRLM nor any person acting on its behalf or any of the counsel or advisors to the Issue has, or shall have, any liability for any information, representation or statement contained in this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in this Issue based on any information, representation or statement contained in this Placement Document or otherwise. By accepting a participation in this Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or

on behalf of the BRLM or our Company or any other person, and the BRLM or our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the BRLM and their affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

- You understand that the BRLM or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations or warranties by us, whether to you or otherwise;
- You are able to purchase the Equity Shares in accordance with the restrictions described in "Selling Restrictions" on page 112 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "Selling Restrictions" on page 112;
- You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in "Transfer Restrictions" on page 118 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "Transfer Restrictions" on page 118;
- You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and may not be offered, sold or delivered within the United States, except in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. You are outside the United States and are subscribing to the Equity Shares in an "offshore transaction" as defined in and in reliance on, Regulation S and the applicable laws of the jurisdictions where those offers and sales are made;
- You are not acquiring or subscribing for the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act;
- You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Tamil Nadu, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Placement Document and the Placement Document;
- Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;
- You agree to indemnify and hold our Company, the BRLM and their respective directors, officers, employees, affiliates, associates, controlling persons and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements and undertakings made by you in this Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;
- You acknowledge that this Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;
- You will make the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;
- You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with consolidated FDI Policy and press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and Rule 6 of the FEMA Rules;
- You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the BRLM;
- You represent that you are not an affiliate of our Company or the BRLM or a person acting on behalf of such affiliate. However, affiliates of the BRLM, which are Eligible FPIs, may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. For further details, please see "*Offshore Derivative Instruments*" on page 10;
- Our Company, the BRLM, their respective affiliates, directors, officers, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the BRLM; and
- You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws.

#### **OFFSHORE DERIVATIVE INSTRUMENTS**

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI

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

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

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

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

**Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosure as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult with their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.**

### **DISCLAIMER CLAUSE OF THE STOCK EXCHANGE**

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

1. warrant, certify or endorse the correctness or completeness of any of the contents of this Placement Document;
2. warrant that the Equity Shares to be issued pursuant to this Issue will be listed or will continue to be listed on the Stock Exchange; or
3. take any responsibility for the financial or other soundness of our Company, our Promoters, our management or any scheme or project of our Company;

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

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### Certain Conventions

In this Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to 'you', 'your', 'bidder(s)', 'offeree', 'purchaser', 'subscriber', 'recipient', 'investor(s)', 'prospective investor(s)' and 'potential investor(s)' are to the Eligible QIBs who are the prospective investors in the Issue, and references to 'our Company', 'Company', 'the Company' and the 'Issuer', are to MCON Rasayan India Limited and references to 'we', 'us' or 'our' are to our Company.

### Currency and units of presentation

In this Placement Document, references to 'US\$', 'USD' and 'U.S. dollars' are to the legal currency of the United States of America, references to '₹', 'INR', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of Republic of India. All references herein to the 'US' or '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 references herein to the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

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

All the numbers in this Placement Document have been presented in Lakhs, unless stated otherwise. The amounts derived from financial statements included herein are presented in Rs. Lakhs. Our Audited Financial Statements are presented in Rs. Lakhs.

Certain figures contained in this Placement Document, including financial information, have been subject to rounding adjustments. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies between the totals and the sum of the amounts listed are due to rounding off adjustments. All figures in decimals have been rounded off to the second decimal.

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

### Page numbers

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

### Financial Data and Other Information

Our Company publishes its financial statements in Indian Rupees. The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular 'financial year', 'Fiscal Year', 'fiscal' or 'FY' are to the twelve-month period ended on March 31 of that year and references to a particular 'year' are to the calendar year ending on December 31 of that year.

Our Company has published its Audited Financial Statements for the Fiscal 2024, Fiscal 2023 and Fiscal 2022. As required under applicable regulations, and for the convenience of prospective investors, we have included the following in this Placement Document:

- audited Financial Statements of our Company as at and for the financial years ended Fiscal 2024, Fiscal 2023 and Fiscal 2022, prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules 2021, as amended and other accounting principles generally accepted in India and other relevant provisions of the Companies Act (collectively, the "**Audited Financial Statements**");

The Audited Financial Statements as at and for the Fiscals 2024, 2023 and 2022 have been audited by our statutory auditors M/s. Devang Kumar Dand & Associates, Chartered Accountants on which they have issued audit reports dated May 23<sup>rd</sup>, 2024, May 29<sup>th</sup>, 2023 and September 05<sup>th</sup>, 2022 respectively.

Except as specifically indicated otherwise and unless the context requires otherwise, all the financial information included in this Placement Document have been derived from the Audited Financial Statements.

Our Company prepares its financial statements in accordance with Indian GAAP. Indian GAAP differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("**U.S. GAAP**") or International Financial Reporting Standards ("**IFRS**") and the reconciliation of the financial information to other accounting principles has not been provided. No attempt has been made to explain those differences or quantify their impact on the financial data included in this Placement Document and investors should consult their 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 Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Placement Document should accordingly be limited.

All numerical and financial information as set out and presented in this Placement Document, except for the information in the section "Industry Overview", for the sake of consistency and convenience have been rounded off or expressed in two decimal place. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them and the sum or percentage change of such numbers may not conform exactly to the total figure given.

The information on our Company's website shall not form a part of this Placement Document.

## Non-GAAP financial measures

Certain non-GAAP measures and certain other statistical information such as EBITDA, EBITDA Margins, ROE, Debt/Equity, Interest Coverage Ratio, ROCE, RONW, PAT Margins, etc. (together referred as "Non-GAAP Measures") presented in this Placement Document are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. 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. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardized term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance or liquidity. Prospective investors should read this information in conjunction with the financial statements included in "**Financial Statements**" starting on page 135 of this Placement Document.

## INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates and other industry data pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by governmental bodies, professional organisations and / or analysts and on data from other external sources, and on our knowledge of markets in which we compete. The statistical information included in this Placement Document relating to the sector in which we operate has been reproduced from various trade, industry and regulatory/ government publications and websites, more particularly described in “Industry and Market Data” on page 15.

Unless stated otherwise, statistical information, industry and / or market data used throughout this Placement Document has been derived from publicly available sources. While our Company has taken reasonable care in the reproduction of the information from such publicly available sources. None of our Company, the BRLM, any of our Company’s or their respective affiliates or advisors or any other person connected with the Issue has independently verified data and statistics obtained from such publicly available sources. Industry sources and / or publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Therefore, discussions of matters relating to India, its economy and the industry in which we currently operate are subject to the caveat that data and statistics upon which such discussions are based may be inaccurate, incomplete or unreliable. Statements from third-parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Placement Document. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources, and neither we nor the BRLM can assure potential Investors as to their accuracy.

This information is subject to change and cannot be certified with complete certainty due to limits on the availability and reliability of raw data and other limitations and uncertainties inherent in any statistical survey. Neither our Company nor any of the BRLM have independently verified the industry and market data and do not make any representation regarding accuracy or completeness of such data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so our Company has relied on internally developed estimates. Similarly, while our Company believes its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither our Company nor any of the BRLM can assure Bidders as to their accuracy.

Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely information contained in this Placement Document.

## FORWARD-LOOKING STATEMENTS

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

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

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

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

- any disruption in our sources of funding or increase in costs of funding;
- our ability to attract and retain qualified personnel;
- our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- our ability to attract and retain qualified personnel;
- the effect of competitive wage pressures and the time required to train and productively utilize new employees;
- market fluctuations and industry dynamics beyond our control;
- changes in the competition landscape;
- loss of one or more of our key customers and/or suppliers;
- an increase in the productivity and overall efficiency of our competitors;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- The occurrence of natural disasters or calamities;
- changes in laws and regulations relating to the industry in which we operate;
- Our failure to keep pace with rapid changes in technology; and
- Changes in government policies and regulatory actions that apply to or affect our business.

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 the sections "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Industry Overview" and "Our Business" and on pages 34, 59, 15 and 72, 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 net interest income and net income 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 Placement Document are based on the beliefs of the 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 Placement Document or the respective dates indicated in this Placement Document, and neither our Company nor the Book Running Lead Manager undertakes any obligation to update or revise any of them, whether as a result of new information, future events or otherwise, 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.



## ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public company with limited liability incorporated under the laws of India. All the key managerial personnel of our Company named herein are residents of India and all of the assets of our Company are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A, respectively, of the Civil Procedure Code (as defined below), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India.

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

Each of the United Kingdom, United Arab Emirates, Singapore and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be filed in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it views the amount of damages awarded as excessive or inconsistent with public policy of India and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Indian Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax pursuant to execution of such a judgment in accordance with applicable laws.

## EXCHANGE RATES INFORMATION

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

The following table sets forth information, for the period indicated with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per US\$), for the periods indicated. The exchange rates are based on the reference rates released by the RBI and FBIL, which are available on the website of the RBI and FBIL. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

Fiscal Period	Period End <sup>(1)</sup>	Average <sup>(2)</sup>	High <sup>(3)</sup>	Low <sup>(4)</sup>
<b>(₹ per US\$)</b>				
<b>Fiscal Ended:</b>				
March 29, 2024	83.3739	83.04	83.399	83.335
March 31, 2023	82.22	80.51	83.20	76.09
March 31, 2022	75.81	74.51	76.92	72.48
<b>Months ended:</b>				
April 30, 2024	83.5187	83.41	83.537	83.397
March 29, 2024	83.3739	83.04	83.399	83.335
February 29, 2024	82.9246	82.97	82.957	82.864
January 31, 2024	83.0805	83.11	83.132	82.998
December 29, 2023	83.1164	83.25	83.242	83.099
November 2023	83.35	83.30	83.39	83.13
October 2023	83.27	83.24	83.27	83.15
September 2023	83.06	83.05	83.26	82.66

Source: [www.rbi.org.in](http://www.rbi.org.in), [www.fbil.org.in](http://www.fbil.org.in) and [www.fedai.org.in](http://www.fedai.org.in).

Period end, high, low and average rates are based on the FBIL reference rates and rounded off to two decimal places.

Notes:

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

In case of holidays, the exchange rate on the last traded day of the month has been considered as the rate for the period end.

## DEFINITIONS AND ABBREVIATIONS

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

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

The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act, or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the section "Statement of Possible Special Tax Benefits", "Industry Overview", "Financial Statements" and "Legal Proceedings" beginning on page 126, 15, 135 and 129, respectively, shall have the meaning given to such terms in such sections.

### General and Company Related Terms

Term	Description
Our Company / the Company / the Issuer /	Mcon Rasayan India Limited, a company incorporated in India under the Companies Act, 2013, having its registered office at 101/A, 1 <sup>st</sup> floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Goregaon West, Near Ayyappa Temple, Mumbai- 400090, Maharashtra, India
the Group / us / we / our	Unless the context otherwise indicates or implies, refers to our Company
Articles / Articles of Association / AoA	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Board of Directors as disclosed in the section entitled "Board of Directors and Senior Management Personnel" on page 88.
Audited Financial Statements	The audited financial statements of our Company as at, and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with Indian GAAP prescribed under Section 133 of the Companies Act, including the notes thereto
Auditors / Statutory Auditors / Independent Auditors	The current statutory auditors of our Company, namely, M/s. Devang Kumar Dand & Associates, Chartered Accountants
Board of Directors / Board	The Board of Directors of our Company or any duly constituted committee thereof.
Chief Financial Officer	The Chief Financial Officer of our Company, being Mrs. Veenita Nishit Tanna
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company, being Mrs. Aesha Karan Shah
Corporate Social Responsibility Committee	The corporate social responsibility committee constituted by our Board of Directors as disclosed in the section entitled "Board of Directors and Senior Management Personnel" on page 88
Corporate Office	Gala no. 6 Bardanwala Estate, Nr. Dutt Mandir Bandiwali Hill Road, Jogeshwari West, Mumbai, Jogeshwari West, Maharashtra, India, 400102
Director(s)	Director(s) on the Board of our Company, unless otherwise specified.
Equity Shares	The equity shares of our Company of face value ₹ 10/- each.
Executive Director	Executive directors of our Company. For details, see the section entitled "Board of Directors and Senior Management Personnel" on page 88
Independent Director(s)	The Non-Executive Independent Directors of our Company appointed as per the Companies Act, 2013 and the SEBI Listing Regulations, as disclosed in the section entitled "Board of Directors and Senior Management Personnel" on page 88
Key Managerial Personnel / KMP(s)	Key managerial personnel of our Company identified in terms of Regulation 2(bb) of the SEBI ICDR Regulations, as disclosed in the section entitled "Board of Directors and Senior Management Personnel" on page 88.
Memorandum/ Memorandum of Association / MoA	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The nomination and remuneration committee constituted by our Board of Directors as disclosed in the section entitled "Board of Directors and Senior Management Personnel" on page 88
Non-Executive Director	Non-Executive Directors of our Company. For details, see the section entitled "Board of Directors and Senior Management Personnel" on page 88
Non-Executive Non-Independent Director	Non-Executive Non-Independent Directors of our Company. For details, see the section entitled "Board of Directors and Senior Management Personnel" on page 88
Promoter Group	The members of the promoter group of our Company as determined in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations
Promoters	The Promoters of our Company are Mr. Mahesh Ravji Bhanushali and Mrs. Puja Mahesh. Bhanushali
Registered Office	101/A, 1 <sup>st</sup> Floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Goregaon West, Near Ayyappa Temple, Mumbai- 400090, Maharashtra, India
RoC / Registrar of Companies	Registrar of Companies, Mumbai at Maharashtra
Shareholder(s)	The holders of the Equity Shares of our Company, from time to time
Stakeholders' Relationship Committee	The stakeholders' relationship committee constituted by our Board of Directors as disclosed in the section entitled "Board of Directors and Senior Management Personnel" on page 88.

### Issue related Terms

Term	Description
Allocated/ Allocation	The allocation of Equity Shares by our Company, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them, in consultation with the BRLM and in compliance with Chapter VI of the SEBI ICDR Regulations.
Allot/ Allotment/ Allotted	Unless, the context otherwise requires, allotment of Equity Shares to be issued pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued and Allotted pursuant to the Issue.
Application Amount	The aggregate amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form
Application Form	The form (including any revisions thereof) which will be submitted by an Eligible QIB for registering a Bid in the Issue during the Bid/ Issue Period. An indicative format of such form is set forth in "Sample Application Form" on page 141.
Application Lot Size	1,000 Equity Share and in multiples of 1,000 Equity Shares thereafter
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications thereto, as provided in the Application Form, to subscribe for the Equity Shares, pursuant to the Issue. The term "Bidding" shall be construed accordingly
Bid/Issue Closing Date	November 11, 2024, the date after which our Company (or BRLM on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount
Bid/Issue Opening Date	November 07, 2024, the date on which our Company (or the BRLM on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount.
Bid/Issue Period	Period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids including any revision and/or modifications thereof.
Bidder(s)	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of the Placement Document and the Application Form.
Book Running Lead Manager/ BRLM	GYR Capital Advisors Private Limited
CAN / Confirmation of Allocation Note	Note or advice or intimation to successful Bidders confirming Allocation of Equity Shares to such successful Bidders after determination of the Issue Price and shall include details of amount to be refunded, if any, to such Bidders
Closing Date	The date on which the Allotment of Equity Shares pursuant to the Issue shall be made, i.e. on or about November 12, 2024.
Designated Date	The date of credit of Equity Shares, pursuant to the Issue, to the Allottee's demat account, as applicable to the respective Allottee
Eligible FPIs	FPIs that are eligible to participate in the Issue in terms of applicable law, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under applicable law.  In addition, Eligible QIBs are QIBs who are outside the United States, to whom Equity Shares are being offered in "offshore transactions", as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made.
Escrow Agent/ Escrow Bank	Axis Bank Limited
Escrow Agreement	Agreement dated August 22, 2024 entered into amongst our Company, the Escrow Agent and the BRLM for collection of the Application Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders.
Escrow Account	Special non-interest bearing, no-lien, escrow bank account without any cheques or overdraft facilities, opened with the Escrow Agent by our Company in the name and style of " <b>MCON Rasayan India Limited - QIP Issue Account</b> " to the terms of the Escrow Agreement, into which the Application Amount shall be deposited by Eligible QIBs and from which refunds, if any, shall be remitted, as set out in the Application Form.
Floor Price	The floor price of ₹ 165.19 per Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders of our Company accorded through their special resolution passed AGM on September 12, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Fraudulent Borrower	An entity or person categorized as a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations
Issue	The offer, issue and allotment of 10,19,000 Equity Shares at a price of ₹ 157.00 per Equity Share, including a premium of ₹ 147.00 per Equity Share, aggregating to ₹ 1599.83 Lakhs to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of Companies Act, 2013 and the rules made thereunder.
Issue Price	₹ 157.00 per Equity Share
Issue Size	The issue of Equity Shares aggregating to ₹ 1599.83 Lakhs.
Lot Size	1,000 Equity Shares and multiples thereof.
Monitoring Agency	The Company shall appoint Monitoring agency as defined under Regulation 173A of SEBI ICDR. The appointment of Monitoring Agency is not applicable to our Company since the Issue Size is below INR 10000.00 Lakhs.

Term	Description
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue.
Placement Agreement	Agreement dated September 12, 2024 entered into amongst our Company and the BRLM.
Placement Document	The placement document to be issued by our Company in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder.
Preliminary Placement Document	This preliminary placement document cum application form dated November 07, 2024 issued in accordance with Chapter VI of the SEBI ICDR Regulations and other applicable provisions of the Companies Act, 2013 and rules made thereunder.
QIBs or Qualified Institutional Buyers	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
QIP	Qualified institutions placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and other applicable sections of the Companies Act, 2013, read with applicable provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue.
Refund Intimation	The letter from the Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts.
Relevant Date	November 07, 2024 is the date of the meeting of the Board, a committee duly authorised by our Board, deciding to open the Issue
Stock Exchange	National Stock Exchange and Emerge Platform of National Stock Exchange, as the context may require
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who will be Allocated Equity Shares pursuant to the Issue.
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India or a trading day of the Stock Exchanges, as applicable.

#### Technical and Industry Related Terms

Terms	Description
ARFF	Airport Rescue and Fire Fighting vehicles
Covid-19	Coronavirus Disease
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IMF	International Monetary Fund
U.S.	United States of America
US\$	United States Dollar

#### Conventional and General Terms/Abbreviations

Terms	Description
₹ / Rs. / Re./ Rupees /INR	Indian Rupee
AGM	Annual General Meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India, as required under the Companies Act.
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number of our company being L24304MH2016PLC286140.
Civil Procedure Code	The Code of Civil Procedure, 1908, as amended
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the rules made thereunder
Companies Act / Companies Act, 2013	Companies Act, 2013, as amended and the rules, regulations, circulars, modifications and clarifications thereunder, to the extent notified
Consolidated FDI Policy	The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate social responsibility.
Depositories Act	The Depositories Act, 1996, as amended

<b>Terms</b>	<b>Description</b>
Depository	NSDL and CDSL, depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018, as amended
Depository Participant/ DP	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
EBIT	Earnings Before Interest and Tax
EGM	Extraordinary General Meeting
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization less Other Income
ESG	Environment, social and governance
EPS	Earnings per share
FBIL	Financial Benchmark India Private Limited
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, as amended and the Regulations issued Thereunder
FEMA Non-Debt Rules/ FEMA Rules	The Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended and any notifications, circulars or clarifications issued thereunder
Financial Year /Fiscal Year / Fiscal / FY	Unless otherwise stated, the period of 12 months commencing on April 1 of a year and ending on March 31 of the next year
Form PAS-4	Form PAS-4 as prescribed under the PAS Rules, as amended
FPI/ Foreign Portfolio Investor(s)	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations.
FPI Operational Guidelines	SEBI circular dated November 5, 2019 which issued the operational guidelines for FPIs
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018, as amended
FVCI	Foreign venture capital investors as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
GAAP	Generally accepted accounting principles
GBP	Great Britain Pound Sterling
GDP	Gross domestic product
GoI / Government	Government of India, unless otherwise specified
GST	Goods and services tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
Ind AS	Indian accounting standards as notified by the MCA pursuant to Section 133 of the Companies Act read with the IAS Rules
Indian GAAP	Generally accepted accounting principles in India
Income Tax Act/IT Act	The Income tax Act, 1961
Lakh/ Lac	Lakhs
MCA	Ministry of Corporate Affairs, GoI
Mn/ mn	Million
N.A./ NA	Not Applicable
NAV	Net Asset Value
NCLT	National Company Law Tribunal
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
Non-Resident Indian(s) / NRI	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955, as amended.
NRO	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit after tax / profit for the respective period / year
PBT	Profit before tax
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules,2014, as amended

<b>Terms</b>	<b>Description</b>
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI ESOP Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity), Regulations 2021.
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SENSEX	Index of 30 stocks traded on the BSE representing a sample of large and liquid listed companies
STT	Securities Transaction Tax
TDS	Tax deducted at source
USA or U.S. or United States	United States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America
\$/ U.S.\$ / USD / U.S. Dollar	United States Dollar, the legal currency of the United States of America
U.S. Securities Act / Securities Act	The United States 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
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31.

## SUMMARY OF BUSINESS

### BUSINESS OVERVIEW

We are in the business of manufacturing, marketing and selling of modern building materials and construction chemicals with a suite of more than 80 products 100 products which includes a range of construction materials and construction chemicals in both powder and liquid forms. Our powder products such as ready mix plaster, tile adhesives, block adhesives, wall putty, micro concrete & polymer mortar, engineering non shrink grouts and floor hardeners are widely used in the building construction segment. Our liquid portfolio having products such as poly-urethane (PU) based liquid membrane, bonding agents, paints, anti-corrosive coatings, concrete admixtures and curing compounds. Our products are marketed and sold under the “MCON” brand.

We have two manufacturing plants in Sarigam and Ambethi, Valsad, Gujarat. Our plant at GIDC Sarigam, Valsad, Gujarat mainly manufactures admixtures, wall putty, tile adhesives, paints, concrete repair systems and waterproofing systems and has an installed capacity of 2,800 MTPA. Our Ambethi unit has been set up for production of Dry Mix Powder products with a capacity of about 36,500 metric tons per annum and Liquid Products with a capacity of about 8000 metric tons per annum. Our total current installed capacity is 39,300 metric tons for Powder products and 8000 metric tons of liquid and paste products. Our manufacturing plants are situated at Valsad being the border of Maharashtra and Gujarat which is strategic location with respect to serving the western regional markets of the country. We have obtained certifications viz. ISO 9001:2015 (QMS), ISO 14001:2015 (EMS) and ISO 45001:2018 (OHSMS) for manufacture and supply of construction & water proofing chemicals and paints in respect of our Unit I. We have also obtained IS 15477:2019 for Adhesive for use with ceramic, mosaic and stone tiles and IS 2645:2003 for Integral waterproofing compounds for cement, mortar and concrete. Further, we have obtained the Certificate of Compliance for our products, MCON Mortar, MCON NSA Grey Gold, MCON NSA Grey No Limit, MCON NSA White, MCON NSA White Gold, MCON NSA White No Limit and MCON LW, identified by the symbol “CE”.

We supply our products to more than 100 distributors and dealers which in turn supply them to more than 1300 retailers based in the States of Maharashtra, Gujarat and Rajasthan who serve various developers, contractors and architects in these western regional markets. Our top 10 products which are widely sold and distributed through the above channels are as under:

Sr. No.	Name of Product	Application of the Product
1.	MCON Magic Coat WP	Single component acrylic based waterproofing cementitious coating.
2.	MCON Magic Coat PU White	Single component polyurethane based 400% flexible waterproof liquid membrane in white colour.
3.	MCON Mortar/NSA Grey	Ready to use waterproof tile adhesive for floors/wall tiles.
4.	MCON Micro Mortar	High strength micro concrete for repair works.
5.	MCON Polymer Mortar EP	Ready to use repair mortar with blended polymers to give perfect repairs of small sections with smooth finish.
6.	MCON Block Fix /Block Mortar	Ready to use AAC block joining adhesive to give waterproof and strong bond block fixing.
7.	MCON Ready plaster	Ready mix waterproof plaster with polypropylene fibers to prevent cracks.
8.	MCON Ultra Gyp Bond	High viscous bonding agent to give superior grip to gypsum plasters.
9.	MCON Wall Putty	Cement based polymer modified white wall putty for internal walls.
10.	MCON Hard/Top Floor Metallic	Metallic & non-metallic floor hardener for abrasion resistant tough floors.

We undertake in-house research and development from our Navi Mumbai, Maharashtra based R&D facility. This facility is equipped with modern equipment and research personnel from the modern building materials and chemical industry are working with us. Some of the equipment installed by us include weighing scale, weighing balance, water bath, vernier caliper, thermometer, themohygrometer, SS scale, shear & adhesion test machine, spectrophotometer, measuring tape, hot air oven, external micrometer and digital stopwatch.

Our products undergo stringent quality tests to meet industry standards before they are delivered to our clients. We undertake various tests like compressive strength test, alkali content test, harden concrete permeability test, water retention efficiency and currying efficiency test, special gravity test and solid content test. These tests ensure that our products meet the industry standards required by our clients for safety, durability, and consistency.

### Our Business Operations:

#### 1. Manufacturing Units:

- a. Unit I – GIDC Sarigam, Valsad, Gujarat
- b. Unit II– Ambethi, Valsad, Gujarat\*

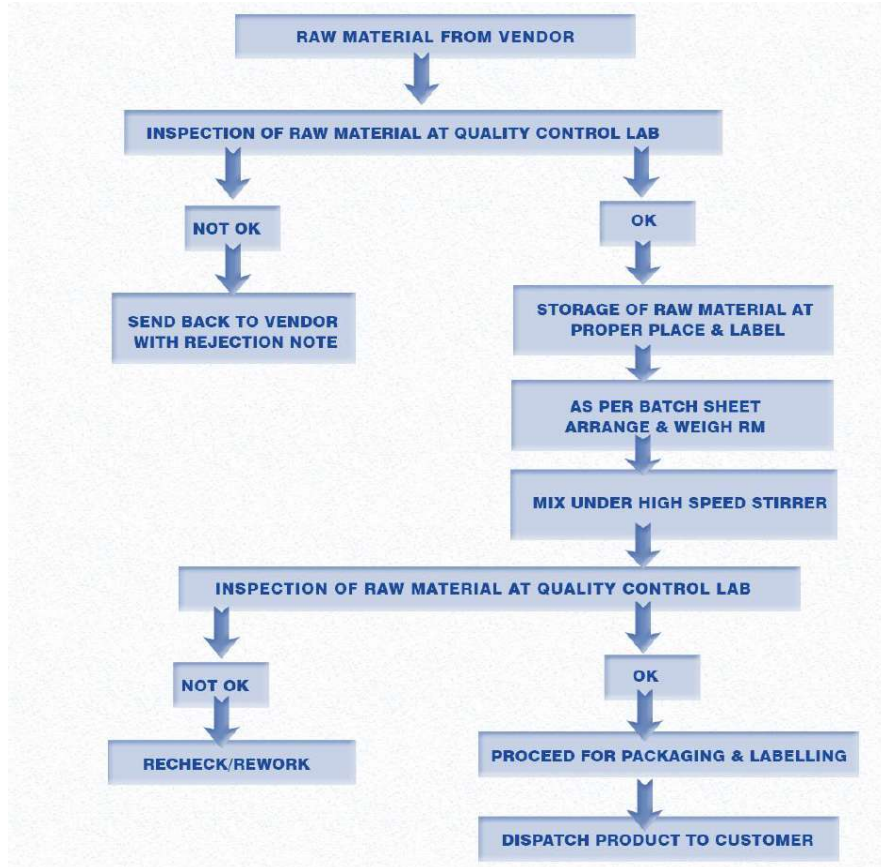
\*Our Chikhli, Navsari unit has been permanently closed and all the operations are transferred to Unit II – Ambethi, Valsad.

#### 2. Manufacturing Process - Liquid Products

We have a monthly production plan for the liquid manufacturing. Based on the total quantity to be manufactured of each SKU (Stock Keeping unit), the production team will raise an indent on our purchase department. Our purchase team will

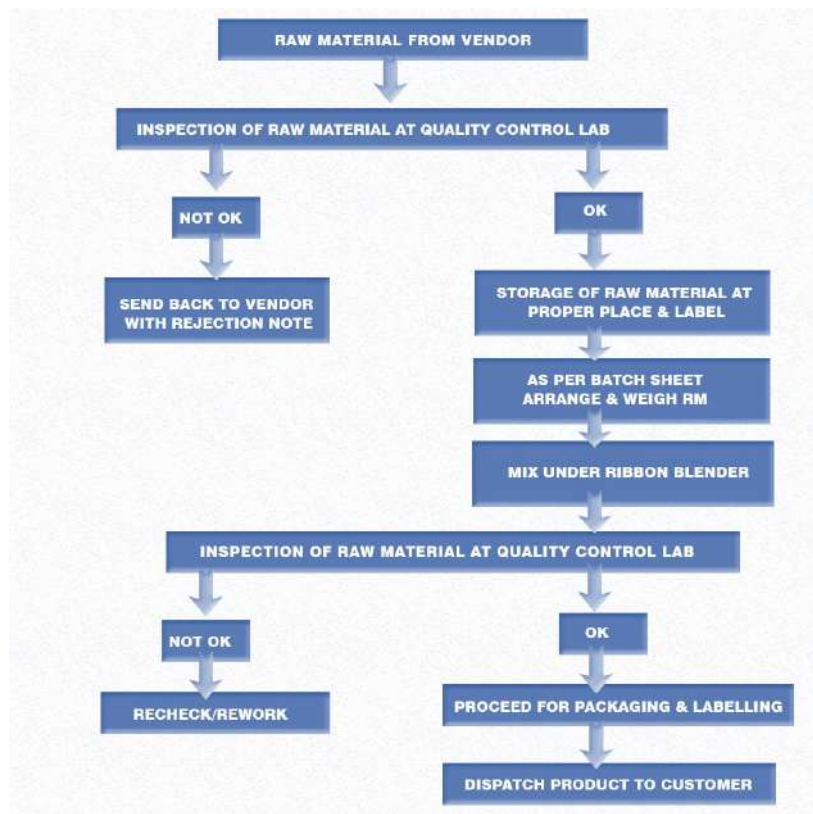
procure the relevant raw material taking into consideration the stock in hand, total transit time and MOQ of the material. Once the material is received at our manufacturing unit, our quality control team will test the incoming raw material on parameters defined in the quality plan. The tested and accepted material by the quality control department is taken into stores and issued to our production team as per the batch sheet of the product to be manufactured. The manufacturing process for these products is set-out below:





### 3. Manufacturing Process – Powder Products

The major component for manufacturing the powder products like ready plaster, tile adhesives, micro concrete etc. is cement and sand. We ensure to purchase cement from branded cement companies which will ensure the consistent quality of the cement. For the sand, we have our own sand drying and sieving unit to ensure high quality, silt free dry river sand. The right proportion of well graded sand is necessary for manufacturing the right quality product. Once all the raw materials are checked by the quality control team then we follow this flow chart for manufacturing the powder products:



## Our Products

Our Company manufactures various modern building materials and construction chemicals like the following:

Product	Use of the Product
Admixtures	For modifying and improving the properties of Concrete/Mortars
Tile Adhesives & Tile Grouts	For fixing of ultra-modern tiles and tile joint filling
Waterproofing Systems	Multiple waterproofing product combos to deliver leakage free structures
Wall Finishing Products	To improve the quality of external and internal surfaces
Readymix Mortars	Easy to use ready mix products for plastering and bonding
Concrete Repairs	High strength products to bring the structure back in shape
Industrial Flooring	Metallic and Non-metallic floor hardeners with patch repair products
Engineering Grouts	Special high strength grouts with dual expansion for machine and injection grouting
Anti-Corrosive Systems	Comprehensive systems to rehabilitate the reinforcement in the old structures
Protective Coatings	To protect the structures from weather and rusts.

## Liquid Products

Our top 10 Liquid Products are as under:

Name of Product	Description
MCON LW	ISI marked integral waterproofing admixture
MCON Magic Coat WP	Single component high polymer based waterproofing coating
MCON Magic Coat 2K	Two component Polymer Modified Waterproof Coating
MCON Magic Coat PU	Single Pack Polyurethane Based 400% Flexible Waterproof Liquid Membrane in White Colour
MCON Magic Coat Flexi	Single Pack White Poly Acrylic Based Flexible Waterproof Liquid Membrane
MCON Ultra Gyp Bond	High Viscous Bonding Agent To Give Superior Grip To Gypsum Plasters
MCON Plaster Bond	Special Polymer Bonding Agent To Give Superior Grip To Cement Plasters
MCON Super Hack	Specialty Polymer Latex that Eliminates Need For Hacking
MCON Bond URP	Latex Polymer For Repair Works And Waterproofing
MCON - Maarvel Carnival Distemper	Acrylic based high build Distemper paint

## Powder Products

Our top 10 Powder Products are as under:

Name of Product	Description
MCON Ready Plaster	Ready Mix Waterproof Plaster With Polypropylene Fibres To Prevent Cracks
MCON Block Mortar/Block Fix	Ready To Use AAC Block Joining Adhesive To Give Waterproof And Strong Bond Block Fixing
MCON NSA Grey	Tile on Tile Grey Adhesive For Ceramic & Vitrified Tiles
MCON Micro Mortar	High Strength Micro Concrete for Repair Works
MCON Polymer Mortar	Ready to use repair mortar with blended polymers to give perfect repairs of small sections with smooth finish
MCON Wall Putty	Cement Based Polymer Modified White Wall Putty for Internal Walls
MCON Hard Floor/Top Floor	Non-Metallic/Metallic Floor Hardener For Abrasion Resistant Tough Floors
MCON NSA Grey Gold	Grey Adhesive for Large Format Tiles for wall & Floor
MCON NSA White	Ready To Use Super White Tile Adhesive for Marble fixing
MCON NSA Grey No Limit	High Polymerized Cementitious Tile Adhesive in Grey Colour for Large Format Stones & Marble on Internal & External Surface

## Our Strengths:

- Comprehensive product portfolio;
- Diverse customer base;
- In-house research and development of products;
- Strategic location of manufacturing units;
- Quality Standard Certifications & Quality Tests;
- Experienced Promoter and senior management team;

## Our Strategies:

- Our manufacturing units near Valsad and Gujarat;
- Further developing our institutional sales business;
- Geographical expansion of our distribution network;
- Enhancing the visibility and reach of our brand "MCON";
- Enhancing the visibility and reach of our brand "MCON";
- Expanding our sales and distribution network;
- Improve operational efficiency and continue to implement measures to reduce costs.

## SUMMARY OF THE ISSUE

The following is a general summary of this Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information appearing elsewhere in this Placement Document, including under the sections "Risk Factors", "Use of Proceeds", "Placement and Lock up", "Issue Procedure" and "Description of the Equity Shares" on pages 34, 50, 110, 100 and 122, respectively of this Placement Document.

<b>Issuer</b>	Mcon Rasayan India Limited
<b>Issue Size</b>	10,19,000 Equity Shares aggregating to ₹ 1599.83 Lakhs.  A minimum of 10% of the Issue Size, or at least 1,01,900 Equity Shares, shall be available for Allocation to Mutual Funds only, and the balance 9,17,100 Equity Shares shall be available for Allocation to all QIBs, including Mutual Funds.  In case of under-subscription or no subscription in the portion available for Allocation only to Mutual Funds, such portion or part thereof may be Allocated to other QIBs.
<b>Lot Size</b>	1,000 Equity Shares
<b>Face Value</b>	₹ 10/- per Equity Share
<b>Issue Price</b>	₹ 157.00 per Equity Share
<b>Date of Board Resolution</b>	August 10, 2024
<b>Date of Shareholders' Resolution</b>	September 12, 2024
<b>Floor Price</b>	The floor price of Rs. 165.19 per Equity Share. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price.  However, our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders granted at the Annual General Meeting held on September 12, 2024, and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
<b>Eligible Investors</b>	Eligible QIBs, to whom this Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue.  For further details, see "Issue Procedure", "Selling Restrictions" and "Transfer Restrictions" on pages 100, 112 and 118, respectively. The list of Eligible QIBs to whom this Placement Document and Application Form is delivered has been determined by our Company in consultation with the BRLM.
<b>Issue procedure</b>	This Issue is being made only to Eligible QIBs in reliance on Section 42 of the Companies Act, read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act and Chapter VI of the SEBI ICDR Regulations. For further details, see "Issue Procedure" on page 100.
<b>Equity Shares issued and outstanding immediately prior to this Issue</b>	63,03,750 Equity Shares.
<b>Equity Shares issued and outstanding immediately after this Issue</b>	73,22,750 Equity Shares.
<b>Listing</b>	Our Company has obtained in-principle approvals, dated November 07, 2024 from the NSE, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing of the Equity Shares issued pursuant to the Issue.  Our Company will make applications to the Stock Exchange to obtain final listing and trading approvals for the Equity Shares after Allotment and after the credit of Equity Shares to the beneficiary account with the Depository Participant, respectively.
<b>Lock-up</b>	For details of the lock-up, see "Placement and Lock up" on page 110
<b>Transferability Restrictions</b>	The Equity Shares to be issued pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Allotments made to VCFs, and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. Please refer the "Transfer Restrictions" on page 118 of this Placement Document.
<b>Use of Proceeds</b>	The gross proceeds from this Issue is ₹ 1599.83 Lakhs. The net proceeds from this Issue, after deducting fees, commissions and expenses of this Issue, will be approximately ₹ 76.00 Lakhs. Please refer "Use of Proceeds" on page 50 of this Placement Document for information regarding the use of net proceeds from this Issue.
<b>Risk Factors</b>	Please refer the "Risk Factors" beginning on page 34 of this Placement Document for a discussion of risks that prospective investors should consider before investing in the Equity Shares.
<b>Taxation</b>	Please refer the section entitled "Statement of Possible Tax Benefits" on page 126.
<b>Pay-In Date</b>	Last date specified in the CAN sent to the QIBs for payment of application money for Equity Shares

	issued pursuant to the Issue.	
<b>Closing Date</b>	The Allotment of the Equity Shares, offered pursuant to the Issue is expected to be made on or about November 11, 2024.	
<b>Ranking</b>	The Equity Shares to be issued pursuant to this Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank <i>pari passu</i> in all respects with the existing Equity Shares of the Company, including rights in respect of dividends. The shareholders of the Company (who hold Equity Shares as on the record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by the Company after the Closing Date, in compliance with the Companies Act, SEBI Listing Regulations and other applicable laws and regulations. Shareholders may attend and vote in shareholders' meetings in accordance with the provisions of the Companies Act. See " <i>Dividend Policy</i> " and " <i>Description of the Equity Shares</i> " on page 57 and 122, respectively of this Placement Document.	
<b>Voting Rights</b>	See " <i>Description of the Equity Shares – Voting Rights</i> " on page 122	
<b>Security Codes for the Equity Shares</b>	<b>ISIN</b>	<b>INE004M01019</b>
	<b>NSE Scrip Code</b>	<b>MCON</b>

## SELECTED FINANCIAL INFORMATION

*The following selected financial information is extracted from and should be read in conjunction with the audited financial statements for Fiscals ended March 31, 2024, March 31, 2023 and March 31, 2022, included elsewhere in this Placement Document. Please see the sections entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Statements”, on pages 59 and 135, respectively, for further details.*

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Summary of Audited balance sheet as at March 31, 2024, March 31, 2023 and March 31, 2022.

(₹ In Lakhs)

Particulars		As at March 31, 2024 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	
		₹	₹	₹	
<b>A</b>	<b>EQUITY AND LIABILITIES</b>				
<b>(1)</b>	<b>Shareholders' funds</b>				
	(a)	Share capital	630.38	630.38	150.00
	(b)	Reserves and Surplus	935.34	707.21	90.04
<b>(2)</b>	<b>Non-current liabilities</b>				
	(a)	Long term Borrowings	506.13	355.94	214.96
	(b)	Deferred tax liabilities (net)	1.89	-	-
	(c)	Other Long Term Liabilities	-	-	-
	(D)	Long term Provisions	40.94	29.96	-
<b>(3)</b>	<b>Current liabilities</b>				
	(a)	Short Term Borrowings	1,089.43	491.31	525.89
	(b)	Trade payables			
		(i) Total outstanding dues of micro enterprises and small enterprises	324.25	164.62	191.15
		(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	875.10	535.07	199.96
	(c)	Other current liabilities	79.26	77.65	55.10
	(d)	Short-term provisions	79.12	38.88	17.36
		<b>TOTAL</b>	<b>4,561.83</b>	<b>3,031.01</b>	<b>1,444.47</b>
<b>B</b>	<b>ASSETS</b>				
<b>(1)</b>	<b>Non-current assets</b>				
	(a)	Property, Plant & Equipment and Intangible Assets			
		(i) Property, Plant & Equipment	976.92	112.13	133.74
		(ii) Intangible Assets	1.21	0.38	0.45
		(iii) Capital Work-in-Progress	543.41	568.54	116.58
	(b)	Non-Current Investment	0.05	0.05	0.05
	(c)	Deferred Tax Assets (Net)	-	16.33	5.27
	(d)	Long Term Loans & Advances	-	0.60	0.67
	(e)	Other Non-Current Assets	49.50	208.20	10.08
<b>(2)</b>	<b>Current assets</b>				
	(a)	Inventories	1,120.79	656.33	432.81
	(b)	Trade receivables	1,703.50	1,026.79	516.19
	(c)	Cash and bank balances	69.99	27.74	8.80
	(d)	Short-term loans and advances	89.19	384.82	217.51
	(e)	Other current assets	7.27	29.10	2.32
		<b>TOTAL</b>	<b>4,561.83</b>	<b>3,031.01</b>	<b>1,444.47</b>
	<b>See accompanying notes forming part of the Financial Statements</b>				

Summary of Audited statement of Profit and loss as at financial years ended March 31, 2024, March 31, 2023 and March 31, 2022

(₹ In Lakhs)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
I	Revenue from operations	4,212.62	3,104.97	1921.65
II	Other income	41.64	1.19	0.71
III	<b>Total Revenue (I + II)</b>	<b>4,254.26</b>	<b>3,106.16</b>	<b>1922.36</b>
IV	<b>Expenses:</b>			
	(a) Cost of Material Consumed	2,489.17	1,402.91	1114.32
	(b) Changes in inventories of Manufactured Goods	(428.67)	(189.58)	(133.38)
	(c) Employee benefits expense	528.21	361.78	218.82
	(d) Finance costs	151.64	78.09	42.89
	(e) Depreciation and amortization expense	106.74	37.72	32.07
	(f) Other expenses	1,094.16	882.48	578.60
	<b>Total Expenses</b>	<b>3,941.25</b>	<b>2,952.56</b>	<b>1853.32</b>
V	<b>Profit before prior-period items and tax (III - IV)</b>	<b>313.00</b>	<b>153.60</b>	<b>69.04</b>
VI	<b>Prior-Period Items</b>	-	-	-
VII	<b>Profit before tax (V - VI)</b>	<b>313.00</b>	<b>153.60</b>	<b>69.04</b>
VIII	<b>Tax expense:</b>			
	(1) Current tax expense	70.66	51.06	21.16
	(2) Deferred tax expense/(credit)	0	0	0
	(3) Short/(Excess) provision of tax for earlier years	0	0.05	0.18
	(4) Net Current Tax Expense	70.66	51.11	21.34
	(5) Deferred Tax	18.22	(11.05)	(1.84)
	Net tax expense / (benefit)	88.88	40.06	19.50
IX	<b>Profit from continuing operations (VII-VIII)</b>	<b>224.12</b>	<b>113.54</b>	<b>49.54</b>
X	<b>Earnings per Equity Share (Pre Bonus) :- Face Value of ₹ 10/- each</b>			
	Basic	3.56	2.62	3.30
	Diluted	3.56	2.62	3.30
	<b>Earnings per Equity Share (Post Bonus) :- Face Value of ₹ 10/- each</b>			

Basic	3.56	2.62	1.29
Diluted	3.56	2.62	1.29

**Summary of Audited Cash flow statement as at financial years ended March 31, 2024, March 31, 2023 and March 31, 2022**

(₹ In Lakhs)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023		For the year ended March 31, 2022	
	₹	₹	₹	₹	₹	₹
<b>A) CASH FLOW FROM OPERATING ACTIVITIES :</b>						
<b>1 Net Profit (Net Loss) before taxation and extraordinary items:</b>		313.00		153.60		69.04
<b>Add / (Less) : Adjustment for</b>						
Depreciation and amortisation	106.74		37.72		32.07	
Provision for Gratuity	17.73		31.96		43.23	
Finance Charges	151.64		78.09		42.89	
Interest Received	(0.74)		(0.35)		(0.27)	
Gain on sale of Fixed Asset	(1.70)		0.78		-	
Loss on Sale of Fixed Asset	-		(0.72)		-	
Employee Benefit Expense	4.02		-		-	
Asset Written off	2.24		-		-	
<b>2 Operating Profit before working capital changes</b>		<b>592.93</b>		<b>300.96</b>		<b>143.73</b>
<b>Changes in Working Capital :</b>						
Adjustment for (increase)/decrease in operating assets:						
Changes in Trade and Other Receivables	(676.70)		(510.61)		(154.83)	
Changes in Trade and Other Payables	499.65		308.58		136.17	
Changes in Inventories	(464.46)		(223.51)		(191.32)	
Changes in other Current Assets	317.45		(205.15)		(143.54)	
Changes in Current Liabilities	1.61		22.55		23.21	
Changes in Non-Current Assets	158.70		(198.12)		(1.70)	
Changes in Long Term Loans, Advances & Deposits	0.60		0.07		(0.99)	
<b>3 Cash generated from/(used in) Operations</b>		429.79		(505.22)		(189.26)
<b>Income Taxes paid (net)</b>		(37.16)		(20.54)		(8.18)
<b>Net Cash Flow from /(used in) Operating Activities</b>		<b>392.63</b>		<b>(525.76)</b>		<b>(197.44)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>						
Purchase of Fixed Assets		(950.89)		(474.67)		(150.23)
Sale of Fixed Assets		3.12		6.74		0.89
Interest Received		0.74		0.35		0.27
<b>Net Cash flow used in Investing Activities</b>		<b>(947.03)</b>		<b>(467.58)</b>		<b>(149.07)</b>



<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Issue of Equity Shares	-	984.00	-
Proceeds/(Repayment) from/of Short Term borrowings (net)	598.13	(34.59)	320.26
Proceeds/(Repayment) from/of Long Term Borrowings (net)	150.20	140.98	74.02
Finance Charges Paid	(151.64)	(78.09)	(42.89)
Dividend Paid	-	-	(1.50)
<b>Net Cash flow from Financing Activities</b>	<b>596.69</b>	<b>1,012.30</b>	<b>349.89</b>
<b>Net increase /(decrease) in Cash and cash equivalents (A+B+C)</b>	<b>42.27</b>	<b>18.94</b>	<b>3.38</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>27.74</b>	<b>8.80</b>	<b>5.43</b>
Less: Transferred on Demerger	-	-	-
Effect of exchange differences on restatement of foreign currency	-	-	-
<b>Cash and cash equivalents as at the end of the year</b>	<b>70.00</b>	<b>27.74</b>	<b>8.80</b>
<b>Cash and Cash Equivalents consists of :-</b>			
(i) Cash-in-Hand	1.46	3.03	5.89
(ii) Balance with Banks in Current Accounts	68.53	24.71	2.90
<b>Total</b>	<b>135.40</b>	<b>361.95</b>	<b>101.18</b>
<b>Note</b>	The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard 3) "Cash Flow Statements" specified under Section 133 of the Companies Act, 2013.		

## 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 Placement Document, 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 borrowers. 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 of an investment in our Equity Shares and its impact on you.*

*This Placement Document 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 Placement Document.*

*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.*

### Internal Risk Factors

#### Risks relating to our Business

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

We source raw materials from third party suppliers. In the manufacturing process, finished raw materials have been processed and are ready to be mixed or processed with other products to form the final product that is sold to the end-user. We do not have oversight of the manufacturing and quality control processes of our suppliers. While we seek to carry out our own quality control of these products when they are delivered, there is no guarantee that we will be able to successfully detect any faults or issues, especially if these are latent or not obvious upon a physical examination. Use of any defective or low-quality raw materials in our production process may adversely affect the safety, function, durability and strength of our modern building material products. This can result in product contaminations and defects, producing consumer complaints and negative publicity. An inability to maintain the established standards of our business could negatively impact customers' perceptions of our offerings as they may find the quality of our modern building material products to be inconsistent and hence, unreliable. The sales and performance of our modern building material products could suffer as a result.

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

Our top 5 customers represented 47%, 58.48% and 76.40%, respectively, of our revenue from operations for Fiscals 2024, 2023 and 2022 respectively. We typically have long term relationships with our customers, we have not entered into long terms agreements with our customers and the success of our business is accordingly significantly dependent on us maintaining good relationships with our customers. The actual sales by our Company may differ from the estimates of our management due to the absence of long term agreements. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future.

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

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

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

In addition, we had launched eight new and innovative products and in the fiscal 2023 & 3 new products in the fiscal 2024, we have launched the following 3 products under our MCON brand in 2024:

Mcon Micro Mortar Antirust – High strength repair micro concrete with anticorrosion bipolar technology for long term durability of structures.

Mcon Stone Bond – Bonding agent with special mechanical bonding properties for granite and stone fixing on door frames and vertical surfaces

Mcon Top Crete 314 – Special fast setting floor patch repair compound with good bonding and abrasion resistant properties.

There can be no assurance that these brands will gain market acceptance or meet the requirements of our customers seeking premium products. The success of our new products and brands depends on our ability to effectively execute marketing initiatives to deepen the presence of our brands and differentiate ourselves from competition. Our marketing and business promotion efforts may be costly and may fail to effectively enhance our brand or generate additional revenues. Our failure to develop, maintain and enhance our brand may result in decreased revenue and loss of customers, and in turn adversely affect our business, financial condition and results of operations.

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

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

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

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

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

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

We distribute our products through our distribution network. Our future growth depends on expanding our sales and distribution network to enter new markets and regions in India, and through different sales and distribution channels. Our orders for sales to dealers are typically placed on a regular basis, the terms of which may be modified in case of any price changes, and such dealers place orders for products based on prices, availability and the quality of products offered. As a result, we rely and will continue to rely to a significant extent on the relationships we have with our dealers. Further, as our authorised dealers have day-to-day contact with customers, we are exposed to the risk of our dealers failing to adhere to the standards set for them in respect of sales and after-sales service, which in turn could affect our customers' perception of our brand and products. In addition, if our competitors provide better commissions or incentives to our dealers, it could result in them favoring the products of other modern building materials and chemicals manufacturers including our direct competitors. Further, our competitors may have exclusive arrangements with their dealers who may be unable to stock and distribute our products, which may limit our ability to expand our distribution network. Our ability to grow and expand our product reach significantly depends on the reach and effective management of our distribution network. In the event we fail to engage adequate dealers, or fail to establish relationships with new dealers, our sales volumes may be affected which will have an adverse effect on our business and results of operation.

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

As on March 31, 2024, unsecured loan taken by our Company stood at ₹ 56.15 Lakhs. The unsecured loan taken by our Company from our Promoter, Mahesh Ravji Bhanushali may be recalled at any time. In the event that any lender seeks a repayment of any such loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. We may not have

adequate working capital to meet business requirements of our Company, and, as a result, any such demand by the lenders may affect our business, cash flows, financial condition and results of operations. Further, in respect of such unsecured loan, no proper agreement has been executed between the parties.

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

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

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

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

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

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

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

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

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

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

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

Information relating to the installed production capacity and capacity utilisation of our manufacturing facilities included in this PPD are based on various assumptions and estimates of our management in the calculation of the installed production capacity, actual production and capacity utilisation of our manufacturing units. These assumptions and estimates include the standard capacity calculation practice,

grinding capacity and other ancillary equipment installed at the plant and the calculations and explanations provided by our management. While such assumptions and estimates may have been based on conservative calculations, actual production capacity, production levels and utilisation rates may still vary from the information included in this PPD or from the historical installed production capacity information of our manufacturing units depending on the product type. Undue reliance should therefore not be placed on our historical installed capacity, actual production and capacity utilisation for our existing manufacturing facilities included in this PPD. For further details, please refer “*Our Business - Capacity and Capacity Utilisation*” on page 83.

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

Cement, sand and certain chemicals are some of raw materials used by us for manufacturing our modern building materials and chemical products. Our practice has been to place orders considering the demand-supply position which is also an industry practice. As a result, our suppliers can terminate their relationships with us due to a change in preference or any other reason on immediate basis, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in the supply of raw materials. Our suppliers are under no obligation to accept our orders and may also cancel, reduce or delay orders. The orders placed by us are dependent on factors such as demand for our Company's products, customer's inventory management, amongst others. Our suppliers in turn are also dependent on factors such as fluctuation in demand, supplier's inventory management and pricing amongst others.

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

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



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

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

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

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

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

The working capital requirement for Financial Year 2025 is estimated at ₹ 1,735 lakhs. An amount of upto ₹ 1,200 lakhs towards working capital requirements will be funded out of the Issue Proceeds, whereas the balance, if any, would be arranged from our internal accruals and/or loan funds. For further details, please see “*Use of Proceeds*” beginning on page 50 of this PPD.

We strive to maintain strong relationships with banks and non-banking financial institutions to increase our financing flexibility. Our credit profile often enables us to obtain financing on favourable terms from financial institutions. However, we cannot assure you that our relationships with lenders will not change or that lenders will continue lending practices we are familiar with. Our lenders may implement new credit policies, adopt new pre-qualification criteria or procedures, raise interest rates or add restrictive covenants in loan agreements, some or all of which may significantly increase our financing costs, or prevent us from obtaining financings totally. As a result, our manufacturing process may be subject to significant delays and cost overruns, and our business, financial condition and results of operations may be materially and adversely affected. For further details on provisions made for bad debts, see the “*Financial Statements*” beginning on page 135 of this PPD. All of these factors may result in an increase in the amount of our receivables and short-term borrowings and the

continued increase in working capital requirements may have an adverse effect on our financial condition and results of operations.

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

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

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

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

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

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

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for operating our business. The approvals, licenses, registrations and permits obtained by us may contain conditions, some of which could be onerous. Additionally, we have applied for Factory Licence for Unit I and Consolidated Consent authorisation for Unit I. Any failure by us to apply in time, renew, maintain or obtain the required permits, licenses or approvals, or revocation, cancellation or suspension of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. There can be no assurance that the relevant authorities will issue such approvals in the time limit anticipated by us. Non-receipt of the aforesaid license may result in payment of fines or other penalties under the respective laws.

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

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

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

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

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

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

(₹ in lakhs)

Particulars	FY 2024	FY 2023	FY 2022
Net cash (used in)/ generated from operating activities	392.63	(525.76)	(195.83)
Net cash generated from/ (used in) Investing Activities	(947.03)	(467.58)	(149.38)
Net cash generated from/ (used in) Financing Activities	596.69	1,012.30	348.56

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further details, see “Financial Statements” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on pages 135 and 59, respectively.

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

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

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

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

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

We have entered into agreements for short term and long-term borrowings with certain banks and financial institutions. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as to obtain either the prior written consent of such financial institutions or require us to give prior written intimation to such lenders, prior to, amongst other circumstances, prepayment of the outstanding principal amounts of the facilities availed by our Company; any amalgamation, demerger, merger, acquisition, corporate or debt restructuring; undertake any project, implementation of any scheme of expansion/ diversification or capital expenditure; invest by way of share capital or lend/ advance funds or place deposits with any other entity; undertake any guarantee obligation on behalf of any other company; any change in the constitution or remuneration of management, control, ownership, shareholding pattern, capital structure, profit sharing and/or management of our Company; and declaration or payment of dividend. Our ability to execute business plans, including our ability to obtain additional financing on terms and conditions acceptable to us, could be negatively impacted as a result of these restrictions and limitations. In the event of breach of a restrictive covenant, our lender could deem us to be in default and seek early repayment of loans. An event of default would also affect our ability to raise new funds or renew borrowings as needed for the smooth conduct of our operations and pursue our growth initiatives. Although we have received consent from our lender for the Issue, we cannot assure you that we will be able to receive such consents in future for other growth plans.

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

Our Company has availed loans and facilities in the ordinary course of its business for inter alia meeting working capital, capital expenditure

and other business requirements. Our Promoters and some of our Directors has given personal guarantees in relation to certain of our loans. Our Promoters and Directors may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the guarantees provided by our Promoters or our Directors may be invoked, which could negatively impact the reputation and net worth of our Promoters and Directors. In addition, our Promoter may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. Furthermore, in the event that our Promoter withdraws or terminates his guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

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

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

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

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

(₹ in lakhs)

Sr. No	Name of Entity	Criminal proceedings	Tax Proceedings	Statutory/Regulatory Proceedings	Disciplinary action by the SEBI or stock exchange against our Promoter	Material civil litigation	Aggregate amount involved*
<b>1.</b>	<b>Company</b>						
	By the company	2	Nil	Nil	Nil	Nil	5.72
	Against the Company	Nil	6	Nil	Nil	Nil	35.45
<b>2.</b>	<b>Directors</b>						
	By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
	Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
<b>3.</b>	<b>Promoter</b>						
	By the promoter	Nil	Nil	Nil	Nil	Nil	Nil
	Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil

\*To the extent quantifiable

Orders passed in such proceedings adverse to our interests may affect our reputation and standing and may have a material adverse effect on our business, results of operations and financial condition. For further details, please see "Legal Proceedings" beginning on page 129 of this PPD.

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

We believe that the key competitive factors affecting our business include product quality, capacity creation and utilization, workforce skill and productivity, operating costs, pricing power with our buyers, access to funding, the degree of regulation and access to a regular supply of raw materials. We cannot assure prospective investors that we will be able to compete effectively against our current or emerging competitors with respect to each of these key competitive factors. In the past, there have been instances of consolidation among our competitors. Competition from modern building materials and construction chemicals manufactures with expanded production capacities



and new market entrants could result in significant price competition, declining margins and a reduction in revenue. For example, these companies may be able to negotiate preferential prices for certain products or receive discounted prices for bulk purchases of certain raw materials that may not be available to us.

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

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

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

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

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

For further details, see the section titled “*Our Business — Immovable Property*” on page 86.

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

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

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

We face competition from various domestic manufacturers and dealers. Competition emerges from organised as well as unorganised players in the modern building materials and chemicals industry. The organised players in the industry compete with each other by providing high quality, consistent and time bound products, customization and innovation. We have a number of competitors offering products similar to us. We ensure the product quality, timely delivery, product innovation, customization in products which helps us to maintain strong relationship with our customers which in turn provides edge over our competitors. We intend to continue competing vigorously to increase our market reach and sales volumes to manage our growth in an optimal way. Certain of our competitors may have better access to financial resources, technology, research and development capability, market reach and operations in different geographies and diversified product portfolios, which may allow them to better, respond to market trends. Accordingly, we may not be able to compete effectively with our competitors across our product portfolio, which may have an adverse impact on our business, financial condition, results of operations and future prospects. For further details, please see “*Our Business - Competition*” on page 86.

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

Any mishandling of our equipment and machineries by our employees/ labour could also lead to serious and sometimes fatal accidents. These accidents can cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage and may result in the suspension of operations and the imposition of civil and criminal liabilities. We have taken group mediclaim policy covering our employees. While we believe that the insurance coverage maintained by us would be reasonably adequate to cover the normal risks associated with such accidents, to the extent that we suffer loss or damage for accidents for which our insurance is inadequate or which exceeds our insurance coverage, the loss would have to be borne by us. Such accidents have the potential to adversely impact our

financial position, our reputation with suppliers, customers, regulators, employees and the public, which could in turn affect our financial condition and business performance.

For further details, see the section titled “*Our Business — Insurance*” on page 86.

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

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

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

Our Company’s activities are labour intensive. Strikes and other labour action may have an adverse impact on our operations, though we have not experienced any such labour disruption in the past. We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future. Any such event could disrupt our operations either temporarily or for a significant period of time, resulting in increased wages and other costs leading to a material adverse effect on our business, results of operations or financial condition. For further details, please see “*Our Business – Manpower*” on page 85 of this PPD.

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

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

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

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

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

If we are unable to utilise optimum level of our installed capacity of our manufacturing units in the future this could affect our cost and profitability and thereby adversely affect the financial condition of our Company. For further details of our production and capacity utilization, see, “*Our Business - Capacity and Capacity Utilization*” on page 83. Any under utilization of our manufacturing units could adversely affect our business, results of operations, financial condition and cash flows.

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

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

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

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

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

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

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

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

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

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

For further details, please see "Related Party Transactions" beginning on page 58.

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

After the completion of this Issue, our Promoters and Promoter Group will continue to hold significant shareholding in our Company. As a result, our Promoters and Promoter Group will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoters and Promoter Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoters and Promoter Group will act in our interest while exercising their rights in such entities, which may in turn materially and adversely affect our business and results of operations. We cannot assure you that our Promoters and Promoter Group will act to resolve any conflicts of interest in our favour. If our Promoters and Promoter Group sells a substantial number of the Equity Shares in the public market, or if there is a perception that such sale or distribution could occur, the market price of the Equity Shares could be adversely affected. No assurance can be given that such Equity Shares that are held by the Promoter will not be sold any time after the Issue, which could cause the price of the Equity Shares to decline. For further details, please see "Capital Structure" beginning on page 55.

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

The amount of our future dividend payments, if any, will depend upon factors that our Board deems relevant, including among others, our results of future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends. For further details on payment of dividend by our Company, please see "Dividend" beginning on page 57 **Error! Bookmark not defined.**

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

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. Our operations are subject to various

risks in the manufacturing industry. Accordingly, we maintain insurance policies for our manufacturing units, offices, buildings, plant and machinery, electrical installation, and stocks due to fire and other perils. Further, we have also maintained fire and burglary policy for our raw material, semi-finished goods and finished goods stored at our manufacturing units. We have also maintained insurance policies for our vehicles.

Our insurance policies may not be sufficient to cover the economic loss that we may have to suffer due to an unfortunate incident. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, to the extent that we suffer loss or damage for events for which we are not insured or for which our insurance is inadequate or which exceeds our insurance coverage, the loss would have to be borne by us, and as a result, our results of operations and financial condition could be adversely affected. For further details, please refer the section titled “*Our Business — Insurance*” on page 86.

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

We intend to use the Net Proceeds for various purposes, including but not limited to, (i) working capital requirement; and (ii) general corporate purposes. Further, the Net Proceeds are intended to be utilized by our Company only and none of our Promoters, Directors, Key Managerial Personnel or members of our Promoter Group will receive any portion of the Issue proceeds. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. For further details, see the section titled “*Use of Proceeds*” on page 50.

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

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

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

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

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

Our Promoters and certain members of our Promoter Group and Directors are interested in our Company, in addition to normal remuneration or benefits and reimbursement of expenses, to the extent of their shareholding or their relatives’ holding in our Company. Further, other than as disclosed in “*Financial Statements*” and “*BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL*” on pages 135 and 88, there are no other transactions entered into by our Company with our Promoters, Promoter Group, Directors or Key Management Personnel While we believe that all such transactions have been conducted on an arm’s length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties For further information on the interest of our Directors, Promoter and Key Management Personnel, other than reimbursement of expenses incurred or normal remuneration or benefits, please refer “*BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL*” beginning on pages 88.**Error! Bookmark not defined.**

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

During the last one year we have issued Equity Shares at a price that may be lower than the Issue Price. For further details, see “*Capital Structure*” on page 55. The prices at which Equity Shares have been issued by us in last one year should not be taken to be indicative of the Price Band, Issue Price and the trading price of our Equity Shares after listing.

## EXTERNAL RISKS

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

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

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly

because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

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

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

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

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

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

Our business, results of operations and financial condition could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations.

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

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

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

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

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

52. ***Financial and geo-political instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial, political turmoil and war in Europe and elsewhere in the world in recent times has affected the Indian economy. Any worldwide financial and geo-political instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability and geo-political issues in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal

markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

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

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

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

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

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

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

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

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

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

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

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

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

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

Our Articles and Indian law govern our corporate affairs. Legal principles relating to these matters and the validity of corporate procedures,

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

## **RISKS RELATING TO THE EQUITY SHARES AND THE ISSUE**

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

The Issue Price of our Equity Shares shall be determined by fixed price method and may not be indicative of the market price of our Equity Shares after the Issue.

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

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

As disclosed in "Capital Structure" on page 55, except for the customary lock-in on our ability to issue equity or equity-linked securities discussed in "Capital Structure" on page 55, there is no restriction on disposal of Equity Shares by the Promoters. As such, there can be no assurance that our Company will not issue additional Equity Shares after the lock-in period expires or that our Promoter will not sell, pledge or encumber his Equity Shares after the lock-in periods expire. Future issuances of Equity Shares or convertible securities and the sale of the underlying Equity Shares could dilute the holdings of our Shareholders and adversely affect the trading price of our Equity Shares. Such securities may also be issued at prices below the then trading price of our Equity Shares or the Issue Price. Sales of Equity Shares by the Promoters could also adversely affect the trading price of our Equity Shares.

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

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

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

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

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

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

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuance of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the EMERGE

Platform of National Stock Exchange of India Limited. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.



## MARKET PRICE INFORMATION

As at the date of this Placement Document 63,03,750 Equity Shares are issued, subscribed and fully paid up. The Equity Shares have been listed on EmERGE Platform of NSE since March 20, 2023. The Equity Shares are listed and traded on NSE EmERGE under the symbol MCON.

On November 06, 2024 the closing price of the Equity Shares on NSE was ₹ 190.35 per Equity Share. Since the Equity Shares are actively traded on the Stock Exchange, the market price and other information for NSE has been provided separately.

## USE OF PROCEEDS

The gross proceeds from the Issue will aggregate to ₹1599.83 Lakhs. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue of approximately ₹ 76 Lakhs, shall be approximately ₹ 1523.83 Lakhs (“Net Proceeds”).

### Objects of the Issue

Subject to applicable laws and regulations, our Company intends to use the Net Proceeds towards following (“Objects”):

(in ₹ Lakhs)

Sr.no	Particulars	Amount
1	Funding working capital requirements of our Company; and	1200.00
2	General Corporate Purpose <sup>(1)</sup>	323.83
<b>Total Net Proceeds<sup>(2)</sup></b>		<b>1523.83</b>

1. The amount to be utilised for general corporate purposes alone shall not exceed 25% of the gross proceeds of the Issue.
2. To be determined upon finalisation of the Issue Price.

Our main objects and objects incidental or ancillary to the attainment of the main objects of our Memorandum of Association enable us to undertake the Objects contemplated by us in this Issue.

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

### Proposed schedule of implementation and deployment/utilization of Net Proceeds

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

(in ₹ Lakhs)

Sr.no	Particulars	Amount funded from the Net Proceeds	Estimated Deployment	
			Fiscal 2025	Fiscal 2026
1	Funding working capital requirements of our Company; and	1200	1200	-
2	General Corporate Purpose <sup>(1)</sup>	323.83	200.00	123.83
<b>Total Net Proceeds</b>		<b>1523.83</b>	1400.00	123.83

1. The funds which will be raised for various general corporate purposes, in line with the business of our Company and will be updated in the Placement Document, to be determined upon finalisation of the Issue Price. The amount to be utilised for general corporate purposes alone shall not exceed 25% of the gross proceeds of the Issue.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, market conditions, current and valid quotations and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution or any other independent agency. Given the nature of our business, we may have to revise our funding requirements and intended deployment schedule on account of a variety of factors such as our financial and market condition, business and strategy, delay in procuring and operationalizing assets or necessary licenses and approvals, competition, negotiation with vendors, variation in cost estimates on account of factors, incremental pre-operative expenses and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. Our historical capital expenditure may not be reflective of our future capital expenditure plans.

In the event that the estimated utilization of the Net Proceeds and Issue related expenses in a scheduled fiscal year is not completely met, due to the reasons stated above, the same shall be utilised in the next fiscal year or if required, the amount scheduled for deployment in a specific Fiscal may be utilized in an earlier Fiscal, as may be determined by our Company, in accordance with applicable laws. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements.

Subject to compliance with applicable laws, in case of any variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed from internal accruals, additional equity and/or debt arrangements or by surplus funds available in respect of the other purposes for which funds are being raised in the Issue (except towards general corporate purposes). For details, see “Risk Factor– “Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control”.

Our Company proposes to deploy the entire Net Proceeds towards the Objects stated above. If the Net Proceeds are not utilized (in full or in part) for the Objects for the period stated above due to any reason, including (i) the timing of completion of the Issue; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized (in part or full) in subsequent periods in such manner as may be determined by our Company, in accordance with applicable laws. Further, our Company may also utilise any portion of or the entire the Net Proceeds, towards the aforementioned Objects, ahead of the estimated schedule of deployment specified above.

## Details of the Objects

### 1. Funding working capital requirements of our Company

We propose to utilize ₹ 1200 lakhs from the Net Proceeds to fund the working capital requirements of our Company in Fiscal 2025. We have working capital requirements in the ordinary course corresponding to our growing business and revenues, which we typically fund through internal accruals and availing financing facilities from various lenders. As at March 31, 2024, the aggregate amounts outstanding under the fund based working capital facilities of the Company are ₹ 902.88 lakhs. The investment in the future working capital requirements will help us in meeting the expected growth in demand for our products.

#### Existing Working Capital

The details of our Company's composition, on a standalone basis, of net working capital as of, as at March 31, 2024, March 2023, March 2022 is as set out in the table below:

(Rs. In Lakhs)

Particulars	As at March 31,		
	2022	2023	2024
<b>Current Assets</b>			
Inventories (Stock-in-Trade)	432.81	656.33	1,120.79
Trade Receivables	516.19	1026.79	1703.5
Short term loans and advances	217.51	384.82	89.19
Other current assets	2.32	29.1	7.27
<b>Total (A)</b>	<b>1,168.83</b>	<b>2,097.04</b>	<b>2,920.75</b>
<b>Current Liabilities</b>			
Trade Payables	391.11	699.69	1199.35
Other Current Liabilities	55.1	77.65	79.26
Short Term Provision	17.36	38.88	79.12
<b>Total (B)</b>	<b>463.57</b>	<b>816.22</b>	<b>1357.73</b>
<b>Total Working Capital (A)-(B)</b>	<b>705.26</b>	<b>1,280.82</b>	<b>1,563.02</b>
<b>Funding Pattern</b>			
I) Borrowings for meeting working capital requirements	179.62	0	535.60
II) Networth / Internal Accruals	525.64	1280.82	1027.42

Note: As certified by M/s. Devang Kuamr Dand & Associates, Chartered Accountants, by way of their certificate dated November 06, 2024.

#### Future working capital requirements

(Rs. In Lakhs)

Particulars	As at March 31,	
	2025	2026
<b>Current Assets</b>		
Inventories (Stock-in-Trade)	2,100.00	3,000.00
Trade Receivables	2,000.00	2,700.00
Short term loans and advances	50.00	100.00
Other current assets	10.00	20.00
<b>Total (A)</b>	<b>4,160.00</b>	<b>5,820.00</b>
<b>Current Liabilities</b>		
Trade Payables	2,200.00	3,100.00
Other Current Liabilities	125.00	200.00
Short Term Provision	100.00	150.00
<b>Total (B)</b>	<b>2,425.00</b>	<b>3,450.00</b>
<b>Total Working Capital (A)-(B)</b>	<b>1,735.00</b>	<b>2,370.00</b>
<b>Funding Pattern</b>		
I) Borrowings for meeting working capital requirements	300.00	500.00
II) Networth / Internal Accruals	235.00	1870.00
III) Proceeds from Issue	1,200.00	-

#### Holding levels

Provided below are details of the holding levels (days) considered:

Particulars	Holding levels	Holding levels
-------------	----------------	----------------

	Holding levels on the basis of	As at March 31,			As at March 31,	
		2022	2023	2024	2025	2026
		(in Days)	(in Days)	(in Days)	(in Days)	(in Days)
Inventories	Cost of Goods Sold	145	135	181	189	153
Trade Receivables	Revenue from operations	98	121	148	104	76
Other Current Assets	Revenue from operations	1	3	1	1	1
Trade Payables	Purchases and Expenses	71	81	102	114	86
Other Current Liabilities	Revenue from operations	10	9	7	7	6

#### Assumptions for holding levels:

The working capital projections made by the Company on the basis of the Standalone Financial Information and pursuant to the resolutions mentioned above are based on the following key assumptions:

S. No.	Particulars	Assumptions and Justifications
1	Inventory	The historical holding days of Inventories has been in range of 135 to 181 days in the last three financial years, and 181 days in the last financial year. Our Company estimates inventory holding days to be 189 days in FY 2024-25. The same seems to be reasonable in view of lead time for procurement of raw materials as well as nature & volume of business activity of the company.
2	Trade Receivables	The historical holding days of trade receivables has been 98 to 148 days in the last three financial years, with an average Trade receivables days for the last three financial years is 122 days. As per the current credit terms of the company & prevalent trend in business of the company, the holding level for debtors anticipated at 104 days of total gross sales during FY 2024-25.
3	Other Current Assets	The holding period for other current assets was in the range of 1-3 days from FY 2022 to FY 2024. For FY 2025 and FY 2026 the holding period would be estimated around 1 days.
4	Trade Payables	We intend to decrease the credit period expected from our creditors due to fulfilment of our working capital requirements through our proposed Issue. This would help us in maintaining good relations with our creditors.
5	Other Current Liabilities	The holding period for other current liabilities, including customer advances and statutory liabilities, fluctuated from 10 days in FY 2022 to 7 days in FY 2024. For FY 2025 projected holding is 7 days and projected holdings for FY 2026 is 6 days

On the basis of existing working capital requirement and holding levels for the financial years ended March 31, 2024, March 31, 2023, March 31, 2022 the Audit Committee of our Company, pursuant to its resolution dated May 23, 2024 has approved the projected total working capital requirements for Fiscal 2024-25 as ₹ 1735 lakhs. Accordingly, our Company proposes to utilize ₹ 1200 lakhs from the Net proceeds in Fiscal 2024-25, towards our estimated working capital requirements. The balance portion of our working capital requirement shall be met from internal accruals and working capital facilities.

## 2. General corporate purpose

Our Company proposes to deploy ₹323.83 lacs out of the Net Proceeds towards general corporate purposes, subject to the amount allocated towards general corporate purpose not exceeding 25% of the Gross Proceeds, in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213-47 dated December 13, 2022, issued by BSE.

We will have flexibility in utilizing the Net Proceeds for general corporate purposes, including but not restricted to, meeting fund requirements which our Company may face in the ordinary course of business, any additional capital expenditure over our mentioned objects in this placement document, repayment or pre-payment of our borrowings, strategic initiatives, partnerships, tie-ups, joint ventures or acquisitions, investment in our Subsidiaries, meeting working capital requirements of our Company incurred in the ordinary course of business, meeting exigencies and expenses, and other expenses in relation to our proposed capital expenditure and expenses incurred by our Company, as may be applicable, funding any shortfall in any of the objects set forth above, or such other purposes as may be determined by the Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act. The quantum of utilisation of funds or the deployment towards each of the above purposes will be determined by our Board or a committee thereof, based on the amount actually available under this head and the business requirements of our Company, from time to time.

### Monitoring Utilization of Funds

As the Issue size is less than Rs. 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this placement document and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or companies promoted by the Promoters, except as may be required in the usual course of business and for working capital requirements.

#### **Other Confirmations**

The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by the Board and/ or a duly authorized committee of the Board, from time to time only for such purposes, as permitted under the Companies Act, prescribed objects as disclosed above and other applicable laws. As permissible under applicable laws, our Company's management will have flexibility in deploying the Net Proceeds. The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us. Pending utilization of the Net Proceeds, our Company intends to invest the funds in creditworthy instruments, including but not limited to money market, mutual funds and deposits with banks and corporates and other securities. Such investments will be in accordance with the investment policies approved by the Board and/ or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws.

Our Company shall disclose the utilization of funds raised through the Issue in its annual report every year until such funds are fully utilized and shall file such quarterly or other statements in relation to utilization of funds as may be required under applicable laws.

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

Neither our Promoters or Directors are making any contribution either as part of this Issue or separately in furtherance of the objects of this Issue.

Further, neither our Promoters nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, key managerial personnel or Senior Management Personnel are not eligible.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization and total borrowings as at March 31, 2024 on a Standalone basis and as adjusted only for the Issue. This table should be read in conjunction with the sections "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements" on pages 59 and 135, respectively.

(In Lakhs)

Particulars	Pre Issue As at March 31, 2024 (Refer Note-1 below)	Post Issue Amount after considering the Issue (Refer Note-2 & 3 below)
<b>Short-term Borrowings (A)</b>	1089.43	1089.43
<b>Long-term Borrowings (B)</b>	506.13	506.13
<b>Total borrowings (C) = (A+B)</b>	<b>1595.56</b>	<b>1595.56</b>
<b>Shareholders' Funds</b>		
Share capital	630.38	640.57
Reserves & Surplus	935.34	2433.27
<b>Total Equity (E)</b>	<b>1565.72</b>	<b>3073.84</b>
<b>Long-term Borrowings/Total Equity (B/E)</b>	0.32	0.16
<b>Total Debt/Total Equity (C/E)</b>	1.02	0.52

Notes:

1. Amounts derived from the Audited Financial Results for the year ended March 31, 2024.
2. The figures included under Post Issue column relating to the shareholder's fund are derived after considering the impact due to the issue of the Equity Shares only through the qualified institutions placement assuming that the Issue will be fully subscribed and does not include any other transactions or movements/ issue related expenses.
3. The post – Issue capitalization data is not determinable at this stage and will be finalised upon determination of Issue Price.

## CAPITAL STRUCTURE

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

(Amount in Lacs except shares details)  
(In lakhs except share data)

		Aggregate value at face value (except for securities premium account)
<b>A</b>	<b>AUTHORIZED SHARE CAPITAL <sup>(1)</sup></b>	
	1,00,00,000 Equity Shares of face value of ₹ 10/- each	1000.00
	<b>TOTAL</b>	<b>1000.00</b>
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>	
	63,03,750 Equity Shares of face value of ₹ 10/- each	630.38
<b>C</b>	<b>PROPOSED ISSUE IN TERMS OF THIS PLACEMENT DOCUMENT</b>	
	Issue of 10,19,000 Equity Shares <sup>(1)</sup>	101.9
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE</b>	
	73,22,750 Equity Shares of face value of ₹ 10 each <sup>(2)</sup>	732.28
<b>E</b>	<b>SECURITIES PREMIUM ACCOUNT</b>	
	Before the Issue (as on date of this Placement Document)	935.34
	After the Issue <sup>(3)</sup>	2433.27

1) This Issue has been authorised and approved by our Board of Directors pursuant to its resolution passed on August 10, 2024. The Shareholders of our Company have authorised and approved the Issue by way of a special resolution passed by way of an Annual General Meeting dated September 12, 2024.

(2) To be determined upon finalisation of the Issue Price.

(3) The securities premium account after the Issue is calculated on the basis of Gross Proceeds

### 1. History of Equity Share Capital of our Company

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price (including Premium if applicable(₹))	Reason/Nature of allotment	Form of consideration	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
Upon Incorporation	10,000	10.00	10.00	Subscription to the MOA <sup>(1)</sup>	Cash	10,000	1,00,000
March 27, 2019	4,90,000	10.00	10.00	Right issue <sup>(2)</sup>	Cash	5,00,000	50,00,000
March 26, 2020	5,10,000	10.00	10.00	Right issue <sup>(3)</sup>	Cash	10,10,000	1,01,00,000
March 30, 2021	4,90,000	10.00	10.00	Right issue <sup>(4)</sup>	Other than Cash	15,00,000	1,50,00,000
August 31, 2022	3,75,000	10.00	40.00	Preferential issue <sup>(5)</sup>	Other than Cash	18,75,000	1,87,50,000
October 4, 2022	23,43,750	10.00	Nil	Bonus issue <sup>(6)</sup>	Other than Cash	42,18,750	4,21,87,500
October 4, 2022	3,75,000	10.00	40.00	Preferential issue <sup>(7)</sup>	Cash	45,93,750	4,59,37,500
March 20, 2023	17,10,000	10.00	40.00	Initial Public Offer	Cash	63,03,750	6,30,37,500

Notes:

- (1) Allotment of 9,900 Equity Shares to Mahesh Ravji Bhanushali and 100 Equity Shares to Puja Mahesh Bhanushali.
- (2) Allotment of 4,15,100 Equity Shares to Mahesh Ravji Bhanushali, 24,900 Equity Shares to Puja Mahesh Bhanushali, 25,000 Equity Shares to Chetan Bhanushali and 25,000 Equity Shares to Nilam Bhanushali.
- (3) Allotment of 4,33,500 Equity Shares to Mahesh Ravji Bhanushali, 25,500 Equity Shares to Puja Mahesh Bhanushali, 25,500 Equity Shares to Chetan Bhanushali and 25,500 Equity shares to Nilam Bhanushali.
- (4) Allotment of 3,30,000 Equity Shares to Mahesh Ravji Bhanushali and 1,60,000 Equity Shares to Chetan Bhanushali pursuant to conversion of loan into Equity Shares.
- (5) Allotment of 3,75,000 Equity Shares to Mahesh Ravji Bhanushali pursuant to conversion of loan into Equity Shares.
- (6) Allotment of 19,54,375 Equity Shares to Mahesh Bhanushali, 63,125 Equity Shares to Puja Bhanushali, 2,63,125 Equity Shares to Chetan Bhanushali, 63,125 Equity Shares to Nilam Bhanushali by way of bonus in the ratio of 1.25:1 Equity Shares i.e. one point twenty-five equity shares for every one equity share held by our equity shareholders.
- (7) Allotment of 3,75,00 Equity Shares to Europlus One Reality Private Limited.
- (8) Allotment of 17,10,000 Equity Shares through Initial Public Offer.

Our Company has not made any allotment of Equity Shares or preference shares in the one year immediately preceding the date of this Placement Document, including for consideration other than cash, or made any allotment of Equity Shares pursuant to a preferential issue, private placement or a rights issue.

### Proposed Allottees in the Issue

In compliance with the requirements prescribed under the SEBI ICDR Regulations, allotment shall be made at the sole discretion of our Company in consultation with the BRLM to Eligible QIBs only on discretionary basis. For details of the names of the proposed Allottees and the percentage of the post-Issue Equity Share capital that may be held by them, please refer the section titled “*Details of Proposed Allottees*” on page 136.

### Pre-Issue and post-Issue Equity Shareholding Pattern

The following table provides the Pre-Issue shareholding pattern as of November 01, 2024, and the post-Issue shareholding pattern:

S. No.	Type of Shareholders	Pre-Issue Equity Share Capital <sup>^</sup>		Post-Issue Equity Share Capital*	
		No. of Equity Shares	% of total Shareholding	No. of Equity Shares	% of total Shareholding
<b>A. Promoters' holding**</b>					
<b>1. Indian</b>					
	Individual/ Hindu undivided family	42,01,161	66.65	42,01,161	57.37
	Bodies corporate	-	-	-	-
	<b>Sub-Total</b>	42,01,161	66.65	42,01,161	57.37
<b>2. Foreign promoters</b>					
<b>B. Non-Promoter holding</b>					
3.	Institutional Investors	-	-	-	-
4.	Foreign Portfolio Investors	-	-	-	-
5.	Non-Institutional investors	-	-	-	-
6.	Private Corporate Bodies	-	-	-	-
7.	Non-Resident Indians (NRIs)	-	-	-	-
8.	Any other	-	-	-	-
	<b>Sub-Total</b>	-	-	-	-
<b>Total Shareholding</b>		-	-	-	-

<sup>^</sup>Based on beneficiary position data of our Company as on November 01, 2024.

\* The post-Issue shareholding pattern has been intentionally left blank and will be filled in the Placement Document.

\*\* Includes shareholding of our Promoter Group as well.

### Other confirmations

- Our Promoters, Directors and Key Managerial Personnel of our Company do not intend to participate in the Issue.
- There would be no change in control in our Company consequent to the Issue.
- Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottees for a period of one year from the date of Allotment, except on the Stock Exchanges.
- Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the notice of Annual General Meeting to our Shareholders, i.e. August 17, 2024 for approving the Issue.

There are no outstanding options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Placement Document.



## DIVIDENDS

The declaration and payment of dividends by our Company is governed by applicable provisions of the Companies Act, 2013 and the Articles of Association. For further information, see “Description of the Equity Shares” on page 122.

Our Company has not declared any dividend on the Equity Shares for Fiscals 2024, 2023 and 2022. Further there are no dividends that have been declared but are yet to be paid out by our Company until the date of this Placement Document.

The declaration and payment of dividend will be recommended by our Board of Directors and approved by our Shareholders at their discretion. The dividend for any Fiscal, if declared, shall be paid out of our Company’s profits for that Fiscal or accumulated profits of any previous Fiscals in accordance with provisions of the Companies Act 2013, the Articles of Association.

The amounts paid as dividends in the past are not necessarily indicative of the dividend amounts, if any, in the future. There is no guarantee that any dividends will be declared or paid in the future or that the amount thereof will not be decreased. The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors and such other factors that the Board may deem relevant in its discretion, subject to the approval of our Shareholders.

The Equity Shares to be issued in connection with this Issue shall qualify for any dividend, including interim dividend, if any, that is declared in respect of the fiscal in which they have been allotted. For further information, please see the section entitled "*Description of the Equity Shares*" on page 122.

## RELATED PARTY TRANSACTIONS

For details of the related party transactions during (i) Fiscal 2024; (iii) Fiscal 2023; and (iv) Fiscal 2022, please refer the section entitled "*Financial Statements*" on page 135.

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

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Placement Document. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

### BUSINESS OVERVIEW

Our Company was originally incorporated as 'MCON Rasayan Private Limited' a private limited company under the Companies Act, 2013 at Mumbai, pursuant to a certificate of incorporation dated June 22, 2016, issued by the Registrar of Companies, Mumbai ("RoC"). Thereafter, name of our Company was changed from 'MCON Rasayan Private Limited' to 'MCON Rasayan India Private Limited' and a fresh certificate of incorporation was issued by the RoC on October 17, 2022. The name of the company was further changed to MCON Rasayan Private Limited' to 'MCON Rasayan India Limited', consequent to conversion of our Company from private to public company, pursuant to a special resolution passed by the shareholders of our Company on October 18, 2022 and a fresh certificate of incorporation consequent to change of name was issued by the RoC on December 12, 2022. Our Company's Corporate Identity Number is L24304MH2016PLC286140.

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

We have two manufacturing plants in Valsad, Gujarat. Our plant at GIDC Sarigam, Valsad, Gujarat mainly manufactures admixtures, wall putty, tile adhesives, paints, concrete repair systems and waterproofing systems and has an installed capacity of 2500 MTPA. Our second plant is a greenfield project under-construction at Ambethi, Valsad and is operational from April 01, 2024. Our manufacturing plants are situated at Valsad being the border of Maharashtra and Gujarat which is strategic location with respect to serving the western regional markets of the country. We have obtained certifications viz. ISO 9001:2015 (QMS), ISO 14001:2015 (EMS) and ISO 45001:2018 (OHSMS) for manufacture and supply of construction & water proofing chemicals and paints in respect of our Unit I. We have also obtained IS 15477:2019 for Adhesive for use with ceramic, mosaic and stone tiles and IS 2645:2003 for Integral waterproofing compounds for cement, mortar and concrete. Further, we have obtained the Certificate of Compliance for our products, MCON Mortar, MCON NSA Grey Gold, MCON NSA Grey No Limit, MCON NSA White, MCON NSA White Gold, MCON NSA White No Limit and MCON LW, identified by the symbol "CE".

We supply our products to more than 100 distributors and dealers which in turn supply them to more than 1800 retailers and 800 contractors based in the States of Maharashtra, Gujarat, Madhya Pradesh, Karnataka, Uttar Pradesh and Rajasthan who serve various developers, builders and architects in these western regional markets. WE also serve the Government infrastructure development through our product supply and technical knowhow.

We undertake in-house research and development from our Navi Mumbai, Maharashtra based R&D facility. This facility is equipped with modern equipment and research personnel from the modern building materials and chemical industry are working with us. Some of the equipment installed by us include weighing scale, weighing balance, water bath, vernier caliper, thermometer, thermohygrometer, SS scale, shear & adhesion test machine, spectrophotometer, measuring tape, hot air oven, external micrometer and digital stop watch.

Our products undergo stringent quality tests to meet industry standards before they are delivered to our clients. We undertake various tests like compressive strength test, alkali content test, harden concrete permeability test, water retention efficiency and currying efficiency test, special gravity test and solid content test. These tests ensure that our products meet the industry standards required by our clients for safety, durability and consistency.

### Financials of the Company

We have consistently grown in terms of our revenues over the past years. In the recent periods our revenues from operation were Rs. 1921.65 lacs in F.Y. 2021-22, Rs. 3,104.97 lacs in F.Y. 2022-23 and Rs. 4,212.62 lacs in F.Y. 2023-24. Our Net Profit after tax for the above-mentioned periods were Rs. 49.54 lacs, Rs. 113.54 lacs and Rs. 224.12 lacs respectively.

### FACTORS AFFECTING OUR RESULT OF OPERATIONS

Except as otherwise stated in this PPD and the Risk Factors given in the PPD, the following important factors could cause actual results to differ materially from the expectations include, among others:

#### *Regulatory Framework*

We have obtained all regulatory permissions which are necessary to run our business, Further, some of the approvals are granted for fixed periods of time and need renewals, which are obtained in the course of business, however, there may be change in statutory regulations at any time which cannot be predicted by us. There can be no assurance that the change in regulations will not impact our operations in the future.

#### *Ability of Management*

Our success depends on the continued services and performance of the members of our management team and other key employees. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of the services of our Promoters could seriously impair our ability to continue to manage and expand our business. Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition.

#### ***Ability to manage logistics and transportation needs***

Apart from in-house transportation facility we rely on third party transportation and other logistic facilities at every stage of our business activity including for procurement of products from our suppliers and for transportation from our factory to our customers and other markets. Since the cost of our goods also carried by third party transporters is typically much higher than the consideration paid for transportation, it may be difficult for us to recover damages for damaged, delayed or lost goods. Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost-efficient manner. Accordingly, our business is vulnerable to increased transportation costs, transportation strikes and lock-outs, shortage of labour, delays and disruption of transportation services for events such as weather-related problems and accidents. Further, global supply chains can be impacted with the increase in the fees of shipping routes putting cost pressures. Further, movement of goods encounters additional risks such as accidents, pilferage, spoilage or shrinkage may adversely affect our operations, results of operations and financial condition. Although we have not experienced any material logistics and transport related disruptions in the past, any prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may not be cost-effective, thereby adversely affecting our operations, results of operations, cash flows and financial condition.

#### ***Market & Economic conditions***

India is one of the largest economies and is growing at a rapid pace. But in this globalized economy, all the businesses face an uncertain level of volatility from unexpected global events which ranges from global pandemics to wars, to weather changes to supply chain disruption, which may change the economic dynamics and the purchasing capability of the end customers. At the time of market slowdown, the demand falls which has adverse impact on our business.

#### ***Competition***

We operate in a competitive atmosphere. Our competition varies by market, geographic areas and type of products. Our Company may face stiff competition from domestic as well as global market as the dynamic changes. Some of our competitors may have greater resources than those available to us. While service quality, technical ability, performance records, etc are key factors in client decisions among competitors, however, price & quality are the deciding factor in most cases. Further, this industry is fragmented with many small and medium sized companies and entities, which manufactures some of these products at various levels, which may adversely affect our business operation and financial condition. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. Moreover, as we seek to diversify into new geographical areas, new territories, new emerging markets, we face competition from competitors that have a pan-India presence and also from competitors that have a strong presence in regional markets. The markets in which we compete and intend to compete are undergoing, and are expected to continue to undergo, rapid and significant change. We expect competition to intensify as technological advances and consolidations continue. These competitive factors may force us to reduce rates, and to pursue new market opportunities. Increased competition could result in reduced demand for our products, increased expenses, reduced margins and loss of market share. Failure to compete successfully against current or future competitors could harm our business, operating cash flows and financial condition.

#### **Significant Developments after June 30, 2022 that may affect our Future Results of Operations**

The Directors confirm that there have been no other events or circumstances since the date of the last financial statements as disclosed in the PPD which materially or adversely affect or is likely to affect the business or profitability of our Company or the value of our assets, or our ability to pay liabilities within next twelve months.

#### **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

##### **a) Basis of preparation of Financial Statements:**

The summary statement of assets and liabilities of the Company as at March 31, 2024, 2023 and 2022 and the related summary statement of profits and loss and cash flows for the year ended on March 31, 2024, 2023 and 2022 have been compiled by the management from the audited Financial Statements for the year ended on March 31, 2024, 2023 & 2022.

The Financial Statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014.

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013.

##### **b) Use of Estimates:**

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period/year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable.

Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**c) Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the period/year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

**d) Provisions and Contingent Liabilities:**

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements.

**e) Cash and Cash Equivalents:**

Cash and cash equivalents comprise Cash-in-Hand, Short-term Deposits and Balance in Current Accounts with Banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**f) Inventories:**

Inventories comprises of Raw Material, Stock in Process & Finished Goods, Stores, Spares and Packing Material.

Closing Stock is valued at Cost or Net Realisable Value whichever is lower. Cost of Stock-in-trade comprises of cost of purchase and other costs incurred in bringing them to their respective present location and condition.

**g) Revenue Recognition:**

Revenue from sale of goods net of returns is recognized on dispatch or appropriation of goods in accordance with the terms of sale and is inclusive of goods and service tax as and when applicable, Price escalation claims are recognized to the extent there is reasonable certainty of its realization.

**h) Other Income:**

Interest income is accounted on accrual basis. Income other than interest income is accounted for when right to receive such income is established.

**i) Earnings per Share:**

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the period. Diluted earnings per share is computed by dividing the profit/ (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**j) Taxation & Deferred Tax:**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

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

**k) Segment Reporting:**

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

**RESULTS OF OUR OPERATIONS**
*(Amount ₹ in lakhs)*

Particulars	For the year ended March 31, 2024	% of Total**	For the year ended March 31, 2023	% of Total**	For the year ended March 31, 2022	% of Total**
<b>INCOME</b>						
Revenue from Operations	4,212.62	99.02%	3,104.97	99.96%	1,921.65	99.96%
Other Income	41.64	0.98%	1.19	0.04%	0.71	0.04%
<b>Total Income (A)</b>	<b>4,254.26</b>	<b>100.00%</b>	<b>3,106.16</b>	<b>100.00%</b>	<b>1,922.36</b>	<b>100.00%</b>
<b>EXPENDITURE</b>						
Cost of Material Consumed	2,489.17	58.51%	1,402.91	45.17%	1,114.32	57.97%
Changes in inventories of Manufactured goods	(428.67)	-10.08%	189.58	6.10%	(133.38)	-6.94%
Employee benefits expense	528.21	12.42%	361.78	11.65%	218.82	11.38%
Finance costs	151.64	3.56%	78.09	2.51%	42.89	2.23%
Depreciation and amortization expense	106.74	2.51%	37.72	1.21%	32.07	1.67%
Other expenses	1,094.16	25.72%	882.48	28.41%	578.60	30.10%
<b>Total Expenses (B)</b>	<b>3,941.25</b>	<b>92.64%</b>	<b>2,952.56</b>	<b>95.05%</b>	<b>1,853.32</b>	<b>96.41%</b>
<b>Profit before tax (A-B)</b>	<b>313.00</b>	<b>7.36%</b>	<b>153.60</b>	<b>4.95%</b>	<b>69.04</b>	<b>3.59%</b>
<b>Tax Expense/ (benefit)</b>						
(i) Current tax	70.66	1.66%	51.06	1.64%	21.16	1.10%
(ii) Short/(Excess) Provision for Earlier years	-	-	0.05	0.002%	0.18	0.01%
(iii) Deferred tax expenses/(credit)	18.22	0.43%	(11.05)	-0.36%	(1.84)	-0.10%
<b>Net tax expense / (benefit)</b>	<b>88.88</b>	<b>2.09%</b>	<b>40.06</b>	<b>1.29%</b>	<b>19.50</b>	<b>1.01%</b>
<b>Profit/(Loss) for the Period</b>	<b>224.12</b>	<b>5.27%</b>	<b>113.54</b>	<b>3.66%</b>	<b>49.54</b>	<b>2.58%</b>

*\*\*Total refers to Total Revenue*

## ***Components of our Profit and Loss Account***

### ***Income***

Our total income comprises of revenue from operations and other income.

### ***Revenue from Operations***

Our revenue from operations as a percentage of our total income was 99.02%, 99.96% and 99.96% for Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively.

### ***Other Income***

It is the income earned from Interest, Gain on sale of fixed asset and subsidy from government.

### ***Expenditure***

Our total expenditure primarily consists of Cost of Material Consumed, Changes in inventories of manufactured goods, Employee benefits expense, Finance costs, Depreciation and amortization expense & Other expenses.

### ***Employee Benefit Expenses***

Our employee benefits expense comprises of Salaries, wages & Bonus, Remuneration to Directors, Gratuity Expense, Contribution to PF and ESIC.

### ***Finance costs***

Our Finance cost expenses comprises of Interest Expenses, Bank Charges, Processing Charges and other financial charges.

### ***Other Expenses***

Other expenses primarily include Business Promotion Expenses & Event and Exhibition, Conveyance Expenses, Discount on account of Scheme, Factory Expenses, Electricity Charges, Factory Expenses, Loading And Unloading Charges, Office Expenses, Petrol/Diesel/Toll Expenses, Professional Charges, Rent, Transportation Expenses and Travelling Expense.

### ***Provision for Tax***

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date.

## **Fiscal 2024 compared with fiscal 2023**

### ***Revenue from operations***

The revenue from operations of our company for fiscal year 2024 was ₹ 4,212.62 lacs against ₹ 3,104.97 lacs revenue from operations for Fiscal year 2023. An increase of 35.67% in revenue from operations. This increase was due to expanded market presence, introduction of new product lines, improved sales strategies, and increased customer demand.

### ***Other Income***

The other income of our company for fiscal year 2024 was ₹ 41.64 lacs against ₹ 1.19 lacs other income for Fiscal year 2023. An increase of 3399.16% in other income. This increase was due to subsidies received from government.

### ***Total Income***

The total income of our company for fiscal year 2024 was ₹ 4,254.26 lacs against ₹ 3,106.16 lacs total income for fiscal year 2023. An increase of 36.96% in total income. This increase was due to increase in turnover on account of expanded market presence, introduction of new product lines, improved sales strategies, and increased customer demand.

### ***Expenditure***

#### ***Cost of materials Consumed***

In fiscal 2024, our cost of material consumed were ₹ 2,489.17 lacs against ₹ 1,402.91 lacs cost of material consumed in fiscal 2023. An increase of 77.43%. This increase was due to increase in Turnover.

#### ***Changes in inventories of Manufactured goods***

In fiscal 2024 Our, Changes in inventories of Manufactured goods were ₹ (428.67) lacs against ₹ 189.58 lacs changes in inventories of

Manufactured goods in fiscal 2023.

#### ***Employee Benefit Expenses***

In fiscal 2024, our Company incurred for employee benefits expense ₹ 528.21 lacs against ₹ 361.78 lacs expenses in fiscal 2023. An increase of 46.00%. This increase was due to a combination of salary revisions, hiring of additional personnel to support business growth.

#### ***Finance Costs***

The finance costs for the Fiscal 2024 was ₹ 151.64 lacs while it was ₹ 78.09 lacs for Fiscal 2023. An increase of 94.19% was due to increase in borrowings to meet working capital requirements and also on account of increase in term loans.

#### ***Other Expenses***

In fiscal 2024, our other expenses were ₹ 1,094.16 lacs and ₹ 882.48 lacs in fiscal 2023. This increase of 23.99% was due to increase in turnover as compared to previous year.

#### ***Profit/ (Loss) before Tax***

Our Company had reported a profit before tax for the Fiscal 2024 of ₹ 313.00 lacs against profit before tax of ₹ 153.60 lacs in Fiscal 2023. An increase of 103.78%. . An increase of 97.39%. This was due to increase in profitability due to increase in turnover.

#### ***Profit/ (Loss) after Tax***

Profit after tax for the Fiscal 2024 was at ₹ 224.12 lacs against profit after tax of ₹ 113.54 lacs in fiscal 2023. An increase of 97.39%. An increase of 97.39%. This was due to increase in profitability due to increase in turnover.

### **Fiscal 2023 compared with fiscal 2022**

#### ***Revenue from operations***

The revenue from operations of our company for fiscal year 2023 was ₹ 3,104.97 lacs against ₹ 1,921.65 lacs revenue from operations for Fiscal year 2022. An increase of 61.58% in revenue from operations. This increase was due to expanded market presence, introduction of new product lines, improved sales strategies, and increased customer demand.

#### ***Other Income***

The other income of our company for fiscal year 2023 was ₹ 1.19 lacs against ₹ 0.71 lacs other income for Fiscal year 2022. An increase of 67.61% in other income. This increase was due to gain on sale of fixed assets.

#### ***Total Income***

The total income of our company for fiscal year 2023 was ₹ 3,106.16 lacs against ₹ 1,922.36 lacs total income for fiscal year 2022. An increase of 61.58% in total income. This increase was due to increase in turnover on account of expanded market presence, introduction of new product lines, improved sales strategies, and increased customer demand.

#### ***Expenditure***

#### ***Cost of Material Consumed***

In fiscal 2023, our cost of material consumed were ₹ 1,402.91 lacs against ₹ 1,114.32 lacs cost of material consumed in fiscal 2022. An increase of 25.90%. This increase was due to increase in Turnover.

#### ***Changes in inventories of Manufactured goods***

In fiscal 2023 Our, changes in inventories of Manufactured goods were ₹ 189.58 lacs against ₹ (133.38) lacs changes in inventories of Manufactured goods in fiscal 2022.

#### ***Employee Benefit Expenses***

In fiscal 2023, our Company incurred for employee benefits expense ₹ 361.78 lacs against ₹ 218.82 lacs expenses in fiscal 2022. An increase of 65.33%. This increase was due to a combination of salary revisions, hiring of additional personnel to support business growth, performance-based incentives, and enhanced employee benefits programs.

#### ***Finance Costs***

The finance costs for the Fiscal 2023 was ₹ 78.09 lacs while it was ₹ 42.89 lacs for Fiscal 2022. An increase of 82.07% was due to increase in borrowings to meet working capital requirements and also on account of increase in term loans.

#### ***Other Expenses***



In fiscal 2023, our other expenses were ₹ 882.48 lacs and ₹ 578.60 lacs in fiscal 2022. This increase of 52.52% was due to increase in turnover as compared to previous year.

#### **Profit/ (Loss) before Tax**

Our Company had reported a profit before tax for the Fiscal 2023 of ₹ 153.60 lacs against profit before tax of ₹ 69.04 lacs in Fiscal 2022. An increase of 122.48%. This increase was due to increase in profitability due to increase in turnover.

#### **Profit/ (Loss) after Tax**

Profit after tax for the Fiscal 2023 was at ₹ 113.54 lacs against profit after tax of ₹ 49.54 lacs in fiscal 2022. An increase of 129.19%. This was due to increase in profitability due to increase in turnover.

#### **Cash Flows**

(Amount ₹ in lakhs)

Particulars	For the year ended March 31,		
	2024	2023	2022
Net Cash flow from/(used in) Operating Activities	392.63	(525.76)	(197.44)
Net Cash flow from/(used in) Investing Activities	(947.03)	(467.58)	(149.07)
Net Cash flow from/(used in) Financing Activities	596.69	1,012.30	349.89

#### **Cash Flows from Operating Activities**

Net cash flow from/(used in) operating activities for the year ended 31st March 2024, was ₹ 392.63 lakhs. This comprised of the Profit Before Tax at ₹ 313 lakhs which primarily adjusted for Finance Cost of ₹ 151.64 Lakhs, Depreciation and Amortization Expense of ₹ 106.74 Lakhs, an increase in Trade Receivables of ₹ 676.70 lakhs, Inventories of ₹ 464.46 lakhs, Trade Payables of ₹ 499.65 lakhs and decrease in Other Current Assets of ₹ 317.45 lakhs.

Net cash flow from/(used in) operating activities for fiscal 2023, was at ₹ (525.76) lakhs. This comprised of Profit Before Tax of ₹ 153.60 lakhs primarily adjusted for Finance Cost of ₹ 78.09 Lakhs, Depreciation and Amortization Expense of ₹ 37.72 Lakhs, an increase in Trade Receivables of ₹ 510.61 lakhs, Inventories of ₹ 223.51 lakhs, Trade Payables of ₹ 308.58 lakhs and Other Current Assets of ₹ 205.15 lakhs.

For fiscal 2022, net cash flow from/(used in) operating activities was ₹ (197.44) lakhs. This comprised of Profit Before Tax at ₹ 69.04 lakhs primarily adjusted for Finance Cost of ₹ 42.89 Lakhs, Depreciation and Amortization Expense of ₹ 32.07 Lakhs, an increase in Trade Receivables of ₹ 154.83 lakhs, Inventories of ₹ 191.32 lakhs, Trade Payables of ₹ 136.17 lakhs and Other Current Assets of ₹ 143.54 lakhs.

#### **Cash Flows from Investment Activities**

Net cash flow from/(used in) investing activities for the year ended 31st March 2024 was ₹ (947.03) lakhs due to purchase of fixed assets of ₹ 950.89 Lakhs, sale of Fixed assets of ₹ 3.12 Lakhs and Interest received of ₹ 0.74 Lakhs. Net cash flow from/(used in) investing activities for fiscal 2023 was at ₹ (467.58) lakhs due to purchase of fixed assets of ₹ 474.67 Lakhs, sale of Fixed assets of ₹ 6.74 Lakhs and Interest received of ₹ 0.35 Lakhs. While for fiscal 2022, net cash flow from/(used in) investing activities was at ₹ (149.07) lakhs due to purchase of fixed assets of ₹ 150.23 Lakhs, sale of Fixed assets of ₹ 0.89 Lakhs and Interest received of ₹ 0.27 Lakhs.

#### **Cash Flows from Financing Activities**

Net cashflow from/(used in) financing activities for the year ended 31st March 2024 was ₹ 596.69 lakhs was due to movements in borrowings of ₹ 748.33 Lakhs and finance cost paid of ₹ 151.64 Lakhs. Net cashflow from/(used in) financing activities for fiscal 2023 was at ₹ 1,012.30 lakhs due to movements in borrowings of ₹ 106.39 Lakhs and issue of share capital of ₹ 984 lakhs and finance cost paid of ₹ 78.09 Lakhs. Net cash from financing activities for fiscal 2022 was at ₹ 349.89 lakhs due to movements in borrowings of ₹ 394.28 Lakhs, finance cost paid of ₹ 42.89 Lakhs and dividend paid of ₹ 1.5 Lakhs.

### **OTHER MATTERS**

#### **1. Unusual or infrequent events or transactions**

Except as described in this Placement Document, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

#### **2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled "Financial Information" and chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations", beginning on Page 135 and 59 respectively of this Placement Document, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

#### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled "Risk Factors" and "Management's Discussion and Analysis of Financial Conditions and Result of Operations", beginning on Page 34 and 59 respectively of this Placement Document, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

#### **4. Future relationship between Costs and Income**

Other than as described in the chapter titled “Risk Factors” beginning on Page 34 of this Placement Document, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

**5. Competition Conditions**

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitors who have been discussed in section titles “Business Overview” beginning on page no. 72 of this Placement Document.

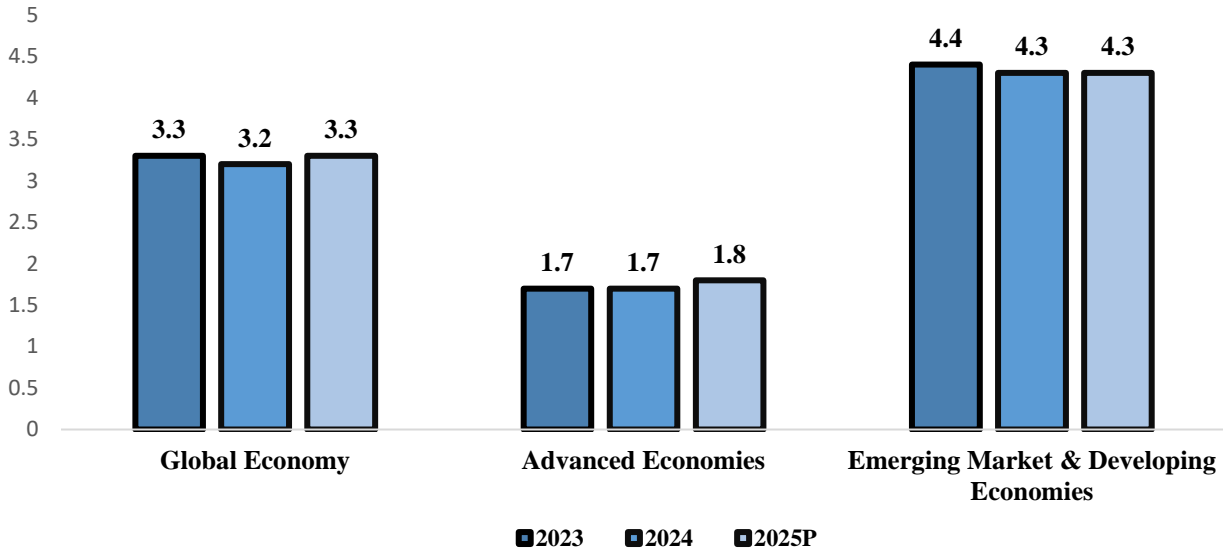
## INDUSTRY OVERVIEW

### GLOBAL ECONOMY

#### Macroeconomic Environment

Global activity and world trade firmed up at the turn of the year, with trade spurred by the strong exports from Asia, particularly in the technology sector. Relative to the April 2024 world economic outlook, first quarter growth surprised on the upside in many countries, although downside surprises in Japan and United States were notable. In the United States, after a sustained period of strong outperformance, a sharper-than-expected slowdown in growth reflected moderating consumption and a negative contribution from net trade. In Japan, the negative growth surprise stemmed from temporary supply disruptions linked to the shutdown of a major automobile plant in the first quarter.

### Global GDP growth in %



Src: World Economic Outlook, July, 2024

In contrast, shoots of economic recovery materialized in Europe, led by an improvement in services activity. In China, resurgent domestic consumption propelled the positive upside in the first quarter, aided by what looked to be a temporary surge in exports belatedly reconnecting with last year's rise in global demand. These developments have narrowed the output divergences somewhat across economies, as cyclical factors, wane and activity becomes better aligned with its potential. The forecast for growth in emerging market and developing economies is revised upward; the projected increase is powered by stronger activity in Asia, particularly China and India. For China, the growth forecast is revised upward to 5% in 2024, primarily on account of a rebound in private consumption and strong exports in the first quarter.

In 2025, GDP is projected to slow to 4.5%, and to continue to decelerate over the medium term of 3.3% by 2029, because of headwinds of from aging and slowing productivity growth. The forecast for growth in India has also been revised upward, to 7.0%, this year, with the charge reflecting carryover from upward revisions to growth in 2023 and improved prospects for private consumption, particularly in rural areas. World trade growth is expected to recover to about 3.25% annually in 2024-25 (from quasi stagnation in 2023) and align with global GDP growth again. The uptick in the first quarter of this year is expected to moderate as manufacturing remains subdued. Although cross-border trade restrictions have surged, harming trade between geopolitically distant blocs, the global trade-to-GDP ratio is expected to remain stable in the projection.

Src: <https://www.imf.org/en/Publications/WEO/Issues/2024/07/16/world-economic-outlook-update-july-2024>

### INDIAN ECONOMY

#### India's real GDP projected to grow between 6.5-7.0% in 2024-25.

India's real GDP is projected to grow between 6.5-7.0% in 2024-25. The Indian economy recovered swiftly from the pandemic, with its real GDP in FY24 being 20% higher than the pre-COVID, FY20 levels. This was stated by the Economic Survey 2023-24 presented in Parliament by the Union Minister of Finance and Corporate Affairs Smt. Nirmala Sitharaman.

The Survey points out that the domestic growth drivers have supported economic growth in FY24 despite uncertain global economic performance. It also adds that during the decade ending FY20, India grew at an average annual rate of 6.6 per cent, more or less reflecting the long-run growth prospects of the economy. The Survey, however cautions that any escalation of geopolitical conflicts in 2024 may lead to supply dislocations, higher commodity prices, reviving inflationary pressures and stalling monetary policy easing with potential repercussions for capital flows. This can also influence RBI's monetary policy stance. The global trade outlook for 2024 remains positive, with merchandise trade expected to pick up after registering a contraction in volumes in 2023.

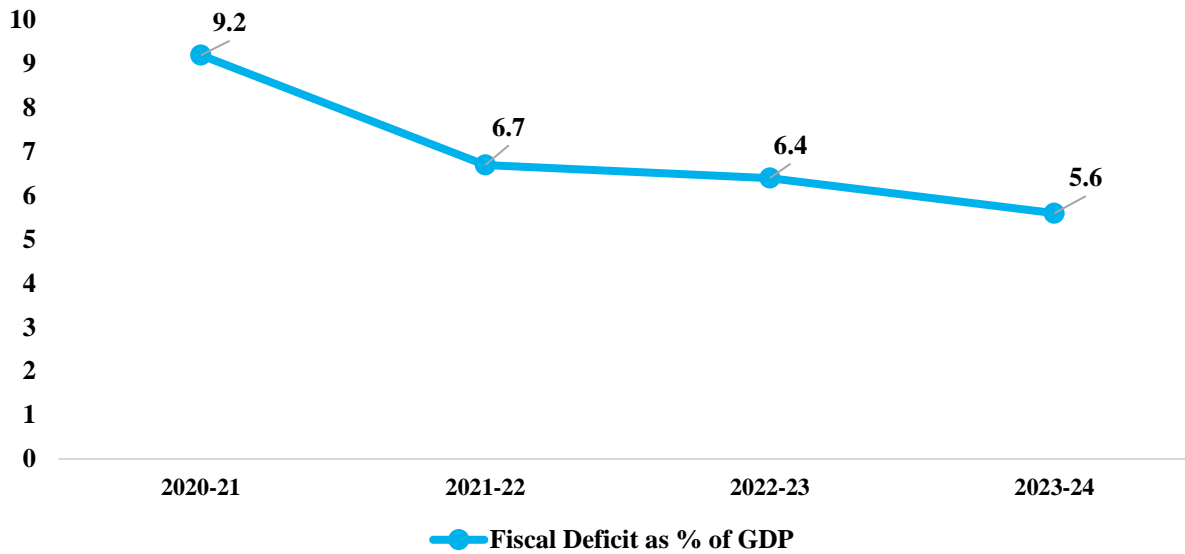
The Survey highlights that leveraging the initiatives taken by the government and capturing the untapped potential in emerging markets; exports of business, consultancy and IT-enabled services can expand. Despite the core inflation rate being around 3 per cent, the RBI, with one eye on the withdrawal of accommodation and another on the US Fed, has kept interest rates unchanged for quite some time, and the anticipated easing has been delayed. The Economic Survey says that India's economy showed resilience to a gamut of global and external challenges as real GDP grew by 8.2 percent in FY 24, exceeding 8 percent mark in three out of four quarters of FY 24, driven by stable consumption demand and steadily improving investment demand.

#### Robust pathway to India's economic growth for FY2025

- India's real GDP grew by 8.2% in FY24, exceeding 8% mark in three out of four quarters of FY24.
- Gross Fixed Capital Formation increased by 9% in real terms in 2023-24.
- Retail inflation declined to 5.4% in FY24.
- Real GDP in FY24 recorded to be 20% higher than its level in FY20.

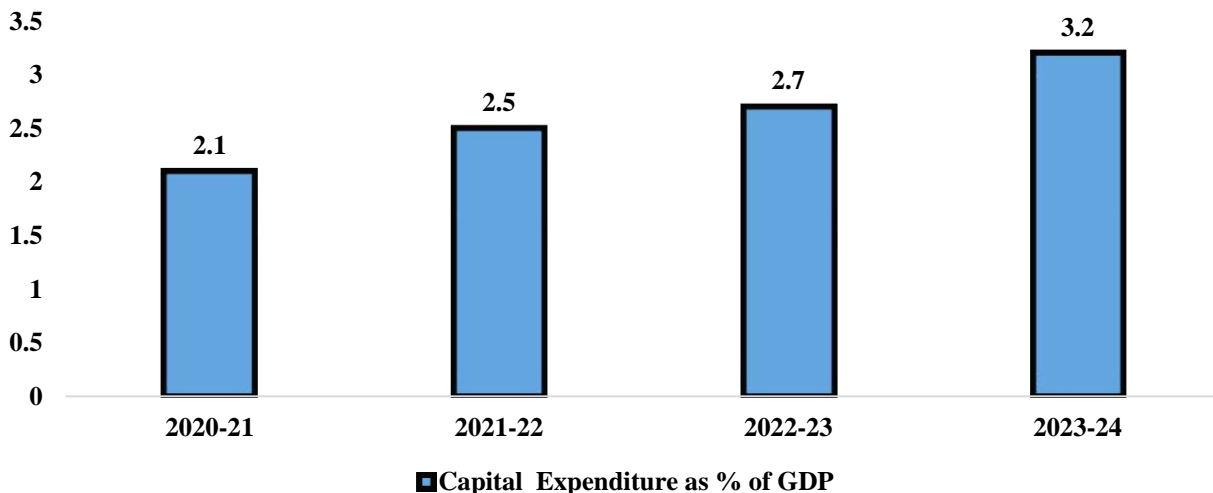
The Survey states that despite global supply chain disruptions and adverse weather conditions, domestic inflationary pressures moderated in FY24. After averaging 6.7 per cent in FY23, retail inflation declined to 5.4 per cent in FY24. This has been due to the combination of measures undertaken by the Government and the RBI. The Union Government undertook prompt measures such as open market sales, retailing in specified outlets, timely imports, reduced the prices of Liquefied Petroleum Gas (LPG) cylinders and implemented a cut in petrol and diesel prices. The RBI raised policy rates by a cumulative 250 bps between May 2022 and February 2023.

### Fiscal Deficit as % of GDP



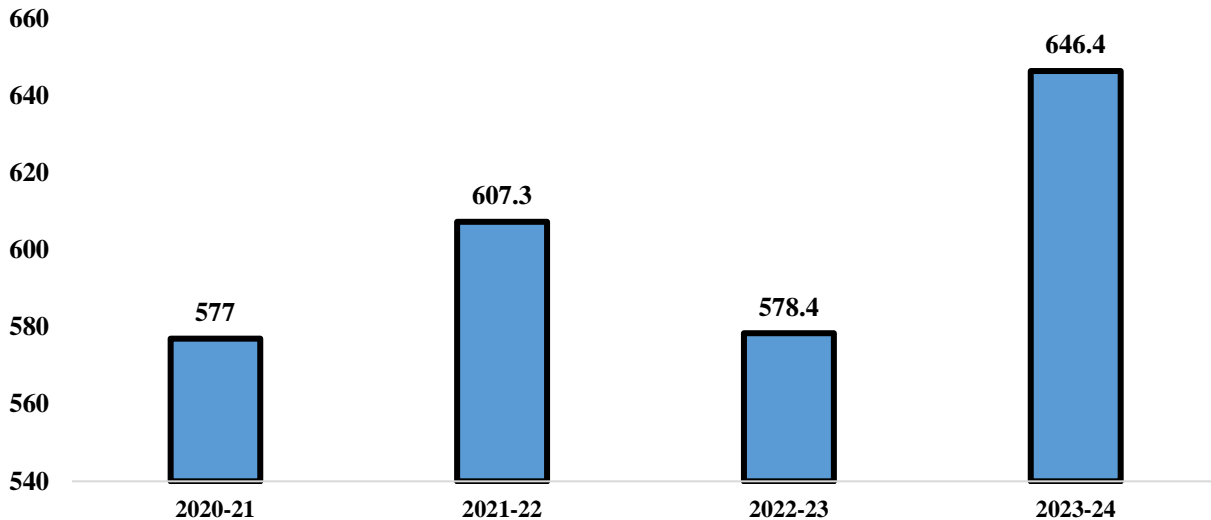
The Survey says, against the global trend of widening fiscal deficit and increasing debt burden, India has remained on the course of fiscal consolidation. The fiscal deficit of the Union Government has been brought down from 6.4 per cent of GDP in FY23 to 5.6 per cent of GDP in FY24, according to provisional actuals (PA) data released by the Office of Controller General of Accounts (CGA). The growth in gross tax revenue (GTR) was estimated to be 13.4 per cent in FY24, translating into tax revenue buoyancy of 1.4. The growth was led by a 15.8 per cent growth in direct taxes and a 10.6 per cent increase in indirect taxes over FY23. The Survey adds that broadly, 55 per cent of GTR accrued from direct taxes and the remaining 45 per cent from indirect taxes. The increase in indirect taxes in FY24 was mainly driven by a 12.7 per cent growth in GST collection. The increase in GST collection and E-way bill generation reflects increased compliance over time.

### Capital Expenditure as % of GDP



The capital expenditure for FY24 stood at ₹9.5 lakh crore, an increase of 28.2 per cent on a YoY basis, and was 2.8 times the level of FY20. The Government’s thrust on capex has been a critical driver of economic growth amidst an uncertain and challenging global environment. Spending in sectors such as road transport and highways, railways, defence services, and telecommunications delivers higher and longer impetuses to growth by addressing logistical bottlenecks and expanding productive capacities. Overall, India’s external sector is being deftly managed with comfortable foreign exchange reserves and a stable exchange rate.

## Forex Reserves in US\$ billion, year-end



■ Forex Reserves in US\$ billion, year-end

Forex reserves as of the end of March 2024 were sufficient to cover 11 months of projected imports. The Survey underscores that the Indian Rupee has also been one of the least volatile currencies among its emerging market peers in FY24. India's external debt vulnerability indicators also continued to be benign. External debt as a ratio to GDP stood at a low level of 18.7 per cent as of end-March 2024. The ratio of foreign exchange reserves to total debt stood at 97.4 per cent as of March 2024 as per the Economic Survey 2023-24. The Direct Benefit Transfer (DBT) scheme and Jan Dhan Yojana-Aadhaar-Mobile trinity have been boosters of fiscal efficiency and minimization of leakages, with ₹36.9 lakh crore having been transferred via DBT since its inception in 2013.

On the global economic scenario, the Survey says that after a year marked by global uncertainties and volatilities, the economy achieved greater stability in 2023. While uncertainty stemming from adverse geopolitical developments remained elevated, global economic growth was surprisingly robust. The Survey states as per the World Economic Outlook (WEO), April 2024 of the International Monetary Fund (IMF), the global economy registered a growth of 3.2 per cent in 2023.

Src: <https://pib.gov.in/PressReleasePage.aspx?PRID=2034973#:~:text=India's%20real%20GDP%20is%20projected,pre%2DCOVID%2C%20FY20%20levels.>

### Road ahead for the Indian Economy

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favor of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

(Src: <https://www.ibef.org/economy/indian-economy-overview>)

## CONSTRUCTION INDUSTRY IN INDIA

### Overview of the Construction Industry

Construction Industry plays a major role in the economic growth of a nation and occupies a pivotal position in the nation's development plans. India's construction industry employs a work force of nearly 32 million and its market size is worth about Rs. 2,48,000 crores. It is the second largest contributor to the GDP after the agricultural sector. Construction sector is viewed as a service industry. It generates substantial employment and provides growth impetus to other manufacturing sectors like cement, bitumen, iron and steel, chemicals, bricks, paints, tiles etc. whose combined value is Rs.1, 92,000 crores annually. The construction equipment market is valued at Rs.1, 05,000 crores.

(Src: *Construction Industry Development Council*)

With more than 600 million tonnes per annum of cement production capacity, India is the second largest cement producer in the world and accounts for over 8% of global installed capacity. The capacity utilization of cement grinding in India is around 65%. Cement Industry is establishing standalone grinding units near to the consumption centres like cities which is resulting in overall increase in installed cement grinding capacity in India. There is a total of 333 cement manufacturing units in India comprising 150 integrated large cement plants, 116 grinding units, 62 mini cement plants and 5 clinkerization units. The production of cement during the last 4 years is as under:

S.No.	Financial Year	Production of Cement (In million tonnes)
1.	2020-21	299.94
2.	2021-22	360.19

3.	2022-23	391.40
4.	2023-24	426.29

(Src: [https://dpiit.gov.in/sites/default/files/annualReport\\_English\\_20August2024.pdf](https://dpiit.gov.in/sites/default/files/annualReport_English_20August2024.pdf) )

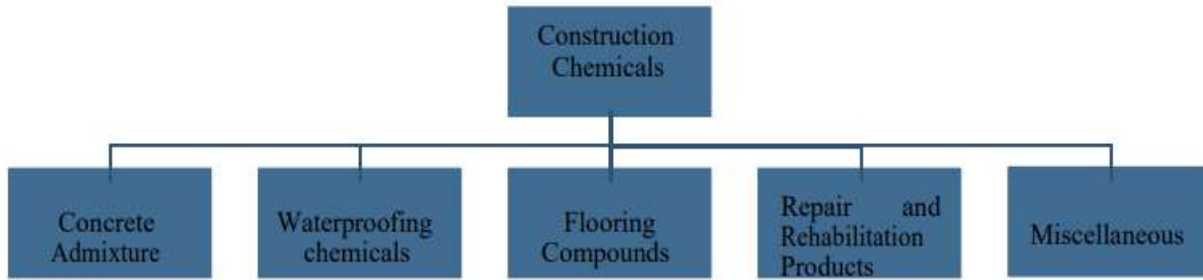
The construction GVA in India is expected to grow by 8.5%-9% in FY2024e, in the backdrop of the Government’s thrust on infrastructure activity. It witnessed a YoY growth of 13.3% in Q2 FY2024 (compared to a 7.9% YoY growth in Q1 FY2024), driven by healthy execution pace and moderation in raw material prices. Despite moderation in growth from FY2023 level (+10% YoY), it remains higher than the long-term annualized growth of 5.3% during FY2012-FY2023 period.

The strong order book inflow for most industry participants translated into an order book-tobilling ratio of ~3.2 times in H1 FY2024, indicating strong revenue growth prospects over the medium term. ICRA expects construction sector margins to improve by 50-100bps in FY2024e, in the backdrop of 18-20% growth in revenue and consequent operating leverage benefits along with moderation in commodity prices.

(Src: ICRA, Company reports)

**Overview of Construction Chemicals**

Construction chemicals, as the name suggests, are chemicals formulation used to hold construction materials at the time of construction. These formulations are used with construction materials like cement, concrete and other construction materials. The construction could be residential, non-residential or non-building. These chemical compounds are sub-category of specialty chemicals. The main purpose of construction chemicals is to improve quality of building materials and add more sustainability and strength to the structures. The cost of construction chemicals imparts minimal percentage of total project costs, but the benefits realized are for more. Some of these chemicals help in minimizing the quantities of cement and water used in the construction and can be used for cross-linking or liquid to solid phase change application. According to Ken Research estimates, the Market Size of Indian Construction Chemicals has shown increasing trend from 2017 to 2022. However, drop was observed in 2020. This is owing to fear and social distance among service providers during pandemic. Market Size of Construction Chemicals market is expected to show a decent growth trajectory from 2022 to 2028 at CAGR of 12.1%. This is mainly due to rapid infrastructural development which has led to services being able to reach previously un-accessible regions.



**Key drivers of growth in construction chemicals segment**

- **Growing awareness for the use and application of construction chemicals through effective marketing and training**

To make user aware of their application and benefits, effective marketing of product is important. Spreading awareness through advertisement and campaigns about usage of the chemical for correct application and better results will reinforce the customer’s belief in the utility of construction chemical. Adding to this, to be able to deliver the product at the consumer’s doorstep is can be another success factor.

- **Increase in Disposable income**

The demographic structure of the country has witnessed change in the past few years. Along with this, there has been increase in disposable income and growth aspiration for better living and amenities. The shift in aspiration for better standard of living is another key driver for renovation and property upgrade. Hence, this factor is also likely to cater growth for construction chemicals.

- **New product innovations and technologies**

Focus on development and marketing of innovative product which are expected to outgrow traditional products is one of another important key factors. Necessary innovation for quick fixes which ultimately targets the retail consumer segment can also lead to growth in construction chemical market.

- **Low Product costs**

With problems like the low awareness and price sensitive nature of the market, it is bit challenging to get consumers to accept more expensive products. Thus, product innovation must also focus on creating affordable products with wide applications. Cheaper adhesives and waterproofing solutions can also be a good strategy to gain traction in terms of sales.

**Challenges**

- **Regulatory Complexities and Environmental Concerns**

The industry faces challenges related to regulatory complexities and environmental concerns, impacting the adoption and utilization of construction chemicals.

- **Low Entry Barriers and Price Sensitivity**

The market is highly cost-conscious, demanding high quality at low prices, which can lead to the use of low-value products and price wars.

- **Lack of Skilled Labor and Technical Expertise**

Employing unskilled workers in construction activities hampers the growth of the sector, as the use of construction chemicals requires technical expertise and training.

- **Absence of Quality Standards and Regulations**

The industry lacks relevant consumer standards for construction chemicals, leading to price wars and challenges in maintaining quality standards for manufacture and application.

### **Opportunities**

- **Infrastructure Development**

India's ambitious infrastructure development plans, including smart cities, highways, and affordable housing, create a substantial demand for advanced construction materials and techniques, offering significant growth opportunities for construction chemicals.

- **Urbanization and Green Building Initiatives**

Rapid urbanization in India drives the need for high-rise buildings and sustainable construction practices, creating opportunities for chemical products to enhance building efficiency and sustainability.

- **Cost Efficiency and Technological Advancements**

Chemical admixtures can optimize construction processes, reduce material wastage, and increase the longevity of structures, leading to cost savings and competitive advantages for construction companies.

- **Government Initiatives and Investments**

Increased emphasis on eco-friendly substances, green construction standards, and significant investments in research and development by leading construction chemical players in India provide growth opportunities for the industry.

### **Government Initiatives**

The government of India's commitment to increase spending on infrastructure development bode well for the expansion of the construction chemicals market in the country. Some of these government initiatives are as follows: -

- **'Make in India'**

This initiative supports facilitation of investments, fostering innovation, enhance skill development and built best in class manufacturing infrastructure in the country. Which eventually promotes infrastructural development. This initiative mainly focuses on 25 sectors. Chemicals and construction being one of these sectors, the growth momentum is likely to witness significant growth and optimism which can potentially be a growth driver for construction chemical industry.

- **'Pradhan Mantri Awas Yojna' (PMAY)**

It is a scheme which support industrial as well as infrastructural development create long term growth opportunities for construction chemical market. Under PMAY, the target of 'Housing for all' by the year 2024 is set at 2.95 crore houses. The total number of sanctioned houses under PMAY(U) is 114.04 Lakh; of which around 93.25 Lakh have been grounded for construction and around 54.78 Lakh have been completed and delivered to the beneficiaries as on 15th February 2022. This initiative is leading to significant opportunities for construction sector as well as for its sub-sectors like construction chemical industry.

- **Smart City Mission**

This initiative focuses mainly to drive economic growth and improve the quality of life of people by enabling local area development and harnessing technology, especially technology that leads to Smart outcomes. Of the total proposed projects under SCM, 7,905 projects worth Rs 193 billion (94% by value) have been tendered so far, work orders have been issued for 7,692 projects worth around INR 180.5 billion (88% by value). 3,830 projects worth Rs. 609 billion (33% by value) have also been fully completed and are operational as on 10th April 2022. Such scheme bodes growth in urbanization and technical advancement which is good indicator of development and will lead to increase in overall market size of construction chemical industry.

- **PM Gati Shakti**

In the Union Budget for FY23, the government promoted this initiative for multi- modal connectivity, wherein the allocation made of Rs. 200 billion will play a key role in development of efficient logistics in the country. The budget also laid down targets to expand National Highways network and lay down conventional roads in hilly areas and enhance metro projects financing. Such announcements made by the government augurs well for construction chemical industry.

### **Road ahead for the Indian construction chemical industry**

Looking ahead, the residential sector in India is poised to exhibit a CAGR of 2.95% in terms of volume from 2023 to 2030. This growth can be attributed to sustained housing demand, increased investments, and favorable government policies. Notably, by 2030, it is projected that over 40% of India's population will reside in urban areas, driving a demand for approximately 25 million additional affordable housing units. Furthermore, by 2030, the residential real estate market is expected to hit 1.5 million units in key cities, further fueling the demand in the sector.

(Src: <https://www.mordorintelligence.com/industry-reports/india-construction-chemicals-market> )

## OUR BUSINESS

To obtain a complete understanding of our Company and its business, prospective investors should read this section in conjunction with “Risk Factors”, “Industry Overview”, and “Management’s Discussions and Analysis of Financial Condition and Results of Operations” as well as the financial, statistical and other information contained in this PPD.

Our fiscal year ends on March 31 of each year, so all references to a particular “fiscal year”, “Fiscal” and “Fiscal Year” are to the 12-months period ended March 31 of that fiscal year. All references to a year are to that Fiscal Year, unless otherwise noted. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this PPD. For further information, see “Financial Statements” on page **Error! Bookmark not defined.** We have, in this PPD, included various operational performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this PPD.

### OVERVIEW

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

We have two manufacturing plants in Sarigam and Ambethi in Valsad, Gujarat. Our plant at GIDC Sarigam, Valsad, Gujarat mainly manufactures admixtures, wall putty, tile adhesives, paints, concrete repair systems and waterproofing systems and has an installed capacity of 2,500 MTPA. Our Ambethi unit has been set up for production of Dry Mix Powder products with a capacity of about 36500 metric tonnes per annum and Liquid Products with a capacity of about 8000 metric tonnes per annum. Our manufacturing plants are situated at Valsad being the border of Maharashtra and Gujarat which is strategic location with respect to serving the western regional markets of the country. We have obtained certifications viz. ISO 9001:2015 (QMS), ISO 14001:2015 (EMS) and ISO 45001:2018 (OHSMS) for manufacture and supply of construction & water proofing chemicals and paints in respect of our Unit I. We have also obtained IS 15477:2019 for Adhesive for use with ceramic, mosaic and stone tiles and IS 2645:2003 for Integral waterproofing compounds for cement, mortar and concrete. Further, we have obtained the Certificate of Compliance for our products, MCON Mortar, MCON NSA Grey Gold, MCON NSA Grey No Limit, MCON NSA White, MCON NSA White Gold, MCON NSA White No Limit and MCON LW, identified by the symbol “CE”.

We supply our products to more than 100 distributors and dealers which in turn supply them to more than 1300 1800 retailers and 800 contractors based in the States of Maharashtra, Gujarat, Madhya Pradesh, Karnataka, Uttar Pradesh and Rajasthan who serve various developers, builders and architects in these western regional markets. WE also serve the Government infrastructure development through our product supply and technical knowhow.

Our top 10 products which are widely sold and distributed through the above channels are as under:

Sr. No.	Name of Product	Application of the Product
1.	MCON Magic Coat WP	Single component acrylic based waterproofing cementitious coating.
2.	MCON Magic Coat PU White	Single component polyurethane based 400% flexible waterproof liquid membrane in white colour.
3.	MCON Mortar/NSA Grey	Ready to use waterproof tile adhesive for floors/wall tiles.
4.	MCON Micro Mortar	High strength micro concrete for repair works.
5.	MCON Polymer Mortar EP	Ready to use repair mortar with blended polymers to give perfect repairs of small sections with smooth finish.
6.	MCON Block Fix /Block Mortar	Ready to use AAC block joining adhesive to give waterproof and strong bond block fixing.
7.	MCON Readyplaster	Ready mix waterproof plaster with polypropylene fibers to prevent cracks.
8.	MCON Ultra Gyp Bond	High viscous bonding agent to give superior grip to gypsum plasters.
9.	MCON Wall Putty	Cement based polymer modified white wall putty for internal walls.
10.	MCON Hard/Top Floor Metallic	Metallic floor hardener for abrasion resistant tough floors.

We undertake in-house research and development from our Navi Mumbai, Maharashtra based R&D facility. This facility is equipped with modern equipment and research personnel from the modern building materials and chemical industry are working with us. Some of the equipment installed by us include weighing scale, weighing balance, water bath, vernier caliper, thermometer, themohygrometer, SS scale, shear & adhesion test machine, spectrophotometer, measuring tape, hot air oven, external micrometer and digital stopwatch.

Our products undergo stringent quality tests to meet industry standards before they are delivered to our clients. We undertake various tests like



compressive strength test, alkali content test, harden concrete permeability test, water retention efficiency and currying efficiency test, special gravity test and solid content test. These tests ensure that our products meet the industry standards required by our clients for safety, durability, and consistency.

The financial performance of our Company for Fiscals 2024, 2023 and 2022 is as follows:

(₹ in lakhs, except for percentage)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations	4212.62	3104.97	1921.65
EBITDA <sup>(1)</sup>	571.38	269.41	144.00
EBITDA margin (%) <sup>(2)</sup>	13.56	8.69	7.49
PAT	224.12	113.54	49.54
PAT Margin (%)	5.27	3.65	2.58
Net Debt <sup>(3)</sup>	1525.57	819.51	732.05
Total Equity	1565.72	1337.59	240.04
ROE (%) <sup>(4)</sup>	14.31	8.49	20.64
ROCE (%) <sup>(5)</sup>	0.13	0.09	0.11
EPS (Basic & Diluted) <sup>(6)</sup>	3.56	2.62	1.29

<sup>(1)</sup>EBITDA = Profit before tax + depreciation & amortization expense + finance cost.

<sup>(2)</sup>EBITDA Margin = EBITDA/ revenue from operations.

<sup>(3)</sup>Net debt = non-current borrowing + current borrowing - Cash and Cash Equivalent, Bank Balance, and Investment in Mutual Funds.

<sup>(4)</sup>ROE = Net profit after tax / Total equity.

<sup>(5)</sup>ROCE = Earnings before interest and taxes (EBIT) / Capital employed\*

\*Net worth = Equity + Non-current borrowing + current Borrowing + Deferred Tax Liabilities – Intangible Assets

<sup>(6)</sup>EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period.

## Our Strengths:

### Comprehensive product portfolio

The construction chemical market is considerably fragmented. The industry is expected to maintain its momentum of growth driven by its untapped potential and growth of construction industry in coming years. With increasing new construction activities and repair and rehabilitation technologies, the demand for construction is likely to make parallel growth. The high import cost of construction chemicals brings opportunity for the domestic industry to expand and manufacture greater and more advanced products and solution. This will also help in growth in demand for construction chemicals.

We are engaged in the business of manufacturing and sales of modern building materials and construction chemicals. From the development of new buildings by developers to repair of existing buildings by contractors, our products provide a wide range of solutions for modern living. Innovative materials that provide strength, stability, durability and resistance to dampness and water is the ultimate objective of any modern building material. Our modern building materials and construction chemicals portfolio has more than 80 products which are manufactured to provide strength and stability, resistance to dampness and water, durability, comforts and conveniences. Our suite of products includes a range of construction materials and chemicals such as concrete admixtures, tile adhesives & grout, waterproofing system/products, concrete repairs, ready mix mortar, wall finishes and paints, anti-corrosive system/products, engineering grouts & industrial floors and concrete essentials. Our products are marketed and sold under the “MCON” brand.

### Diverse customer base

We cater to modern building and development requirements of our clients like developers, civil contractors and architects. We have over the years established relationships with various clients and continue to serve them with our product offerings. We supply our products through market intermediaries like dealers and distributors to institutional customers like builders & developers and large civil & engineering contractors involved in the construction of civil, commercial and infrastructure projects. We play an important role in the entire life cycle of any construction whether it is a new construction where our products such as readymix plasters, tile adhesives, paints, wallputty and block adhesives used for development or in an old and dilapidating building or structure which requires re-enforcements like our micro concrete, polymer mortar, liquid polymers, epoxy mortars, crack fillers and corrosive protection to provide strength and stability to the existing structure.

### In-house research and development of products

We undertake in-house research and development for innovative products which help our clients in solving issues faced by them. We have created eight (8) innovative products in the past three (3) years either independently or in consultation with our clients.

- Plaster Bond – A ready to use anti-hacking product which aids in bonding of cement plaster to RCC walls and ceilings.
- Self-cure ready plaster – A ready to use cementitious plaster which doesn't require water curing.
- Ready plaster Render – An easy to apply rendering mortar for thin set plastering on AAC block walls.
- Magic Coat PU – A polyurethane based liquid membrane which helps in giving the perfect solution and replacement for membrane waterproofing systems.
- Polymer Mortar EP – Ready to use polymer mortar with excellent bonding and great strength which gives high class finish.
- Magic Coat Flexi – Fiber reinforced poly-acrylic coating for waterproofing of external slabs and walls with 150% elongation.
- Magic Seal PU – Polyurethane based structural sealant for construction joints and glass/aluminum gaps.

- Steel 2K – two component polymer based anticorrosive coating for steel reinforcement.

In the current financial year we have launched the following new products to our existing line of products:

- MCON CI 300: Corrosion Inhibiting Concrete Admixture - Bipolar corrosion inhibiting admixture in liquid form for reinforced concrete and mortar.
- MCON EPOXY SBA: Epoxy Adhesive for Segmental Bridge – This is a solvent free thixotropic two-part epoxy adhesive for bonding prefabricated concrete bridge segments.
- MCON 2K EPOXY PRIMER: Epoxy Primer - This is a two component, epoxy-based primer is suitable for priming concrete / metal surfaces, including walls, prior to the application of any epoxy flooring, epoxy coating and epoxy repair mortar.

#### ***Strategic location of manufacturing units***

We have two (2) manufacturing units out of which one is situated at GIDC Sarigam, Valsad, Gujarat which are industrial belts which is a manufacturing hub for various industries like chemicals, agrochemicals, pharmaceuticals, lubricants, food, edible oil, etc. Our other is a greenfield project under-construction at Ambethi, Valsad, Gujarat and will be operation is operational from April 01, 2024. We have ceased operations at the Chikli plant since the Ambethi plant has reached its full operational potential. In addition to being in or around industrial belts, we are close to the Maharashtra-Gujarat border and being close to our end-user market provides various advantages including lower freight costs and improved customer relationships. The location of these units with proximity to Gujarat and Maharashtra and has good connectivity to ports, airports and highways/expressways which enhances our capability of supplying our products in time and on a cost-effective basis to our clients. Further, we procure sand used for our products from areas near our factory locations which enhances the cost-effective manufacturing of our powder products.

#### ***Quality Standard Certifications & Quality Tests***

We have obtained ISO 9001, ISO 14001 and ISO 45001 for the management systems at our manufacturing facility at GIDC Sarigam, Valsad, Gujarat. Our products undergo stringent quality tests to meet industry standards before they are delivered to our clients. We undertake various strength tests for the determination of pH of materials, viscosity of high viscous material, specific gravity of material, bulk density, Solid%/NVM% of the material, film properties, slump of cementitious material, compressive strength, shear adhesion and sand /powder size of the material. Wherever required by our clients, we obtain industry standard tests certificates from our suppliers for the raw materials used by us for specific products. Some of our products in the tile adhesive and water proofing segment are ISI certified and comply with these Indian quality standards for use in the construction industry. We have also obtained “CE” certification from Geotech Global Certification Private Limited for our tile adhesive range of products.

#### ***Experienced Promoters and senior management team***

Our Promoter, Mahesh Bhanushali has vast knowledge and experience of more than twelve years in the modern building materials and construction chemicals manufacturing and sales. He has been the driving force in developing and growing our business. His understanding of the industry requirements, intuitive entrepreneurship and involvement in key aspects of our business has helped accelerate and drive our profitable growth. Our Promoter is complemented by a professional management team which shares the same vision and values as them to drive our growth. For further details please see “*Board of Directors and Senior Management Personnel*” on page 88. We believe that we have attracted and retained experienced senior management team with operational and technical capabilities, management skills, business development experience and financial management skills.

We believe that the combined strength of our Promoters, Directors and senior management team help us to implement our business strategies in an efficient manner and to continue to build on our track record of successful product offerings. We will continue to leverage on the experience of our management team and their understanding of our business to take advantage of current and future market opportunities.

#### **Strategies:**

##### ***Further developing our institutional sales business.***

We intend to further expand our institutional sales business by developing relationships with large real estate developers, civil and infrastructure contractors and government bodies. We are already empanelled with MCGM, MHADA and CIDCO and we are also supplying our products for use in various projects of these government bodies. We intend to expand our project dealer network by developing relationships with project dealers who supply building materials for infrastructure projects like metro development, flyovers, bridges etc. Civil construction contractors developing projects for large developers have specific requirements for each stage of development. We have products for all stages from the laying of foundation of the building to finishing of the residential or commercial premises. Our suite of products, quality standards and brand MCON lead our efforts in expanding our institutional sales business on a pan-India basis.

##### ***Geographical expansion of our distribution network.***

We supply our products to more than 100 distributors and dealers which in turn supply them to more than 1300 retailers based in the States of Maharashtra, Gujarat and Rajasthan who serve various developers, contractors and architects in these western regional markets. We intend to expand our product offerings across the country and the overseas markets like Bangladesh where economic development is happening at a fast pace.

##### ***Enhancing the visibility and reach of our brand “MCON”.***

“MCON” as a brand has been used by us for most of our products like “MCON Magic Coat WP”, MCON MORTAR/NSA Grey, MCON Block Fix /Block Mortar, MCON Wall Putty and others. We have a multi-pronged branding as well as marketing strategy covering both retail and institutional markets. Our technical team does shop meets outside the retail shops selling our products where contractors are invited so as to can

spread the awareness of our products and their use. We conduct consultant and architect meets to make them aware about our products and their use. We participate in exhibitions like the recently concluded World of Concrete 2022 – one of the flagship shows of Las Vegas which was brought to Mumbai. We have generated more than 300 qualified leads from this event.

For better brand recall, we have created our  brand mascot “Mr. M” and we market him as a solution provider for all construction related challenges. We use this mascot in most of our promotional campaigns as well as our advertising material.

To ensure our reach to the large customers and contractors, we advertise our products and also publish articles in certain construction industry related magazines. These magazines have a wide circulation and reach various construction professionals.

We will continue with our branding and marketing efforts to ensure that our brand is recognised amongst the leading brands in the modern building materials and construction chemicals space. Our branding and marketing efforts will complement the sales and distribution strategies on the ground to ensure maximum benefit from minimum resources.

#### ***Expanding our sales and distribution network.***

MCON Rasayan has created a strong foot hold in the western zone of India by its presence in the states of Gujarat, Maharashtra and Rajasthan. The journey to explore outside Mumbai began almost 6 years back when we launched our products in the Pune market. In the year 2021, we decided to penetrate into the north Gujarat territory as well as enter the State of Rajasthan and in a short span we have tied up with 7 distributors in this region and also supplied to more than 100 contractors our products. Our next phase of expansion in our sales and distribution network is into the states in proximity to our existing network and the obvious choices are Madhya Pradesh as it is approachable from Gujarat as well as Maharashtra & Uttar Pradesh due to its cross-border trade relationship with Rajasthan, Karnataka & Goa as they share border with Maharashtra and Telangana due to the geographical distance advantage as well as the fast development happening in that state and further, we propose to expand our sales and distribution network after our commencement of commercial production at our manufacturing plant at Ambethi, Valsad, Gujarat.

We have conducted an in-house survey of these markets and their potential for our products. We have also identified potential distributors in few targeted cities through our existing network as well as inquiries received through online platform. We shall soon enter into arrangements with them to enter these markets.

#### ***Improve operational efficiency and continue to implement measures to reduce costs.***

We have implemented and will continue to implement measures to reduce our operating costs, which is critical in determining profitability. We have, at all times, endeavoured to maintain the price competitiveness of our products. We have and will continue to implement certain efficiency improvement projects, such as, improving utilization rate of our existing facilities that would further enhance our cost competitiveness and increase profitability. We intend to continue to focus on increasing our production capacity, improve utilization of our existing capacities and also improve our sales and distribution channels all over the country.

### **Our Business Operations:**

#### **Manufacturing Units**

We presently have two (2) manufacturing units in operation situated near Valsad.

#### ***Unit I – GIDC Sarigam, Valsad, Gujarat***

Our Company established Unit I for the manufacture of Liquid and Powder products in the year 2012. We manufacture admixtures, waterproofing products, concrete repair products, tile adhesives, tile grouts, machine foundation grouts, floor hardeners, wall putty, paint and bonding polymers. The current installed capacity at this unit is 2,500 MTPA.

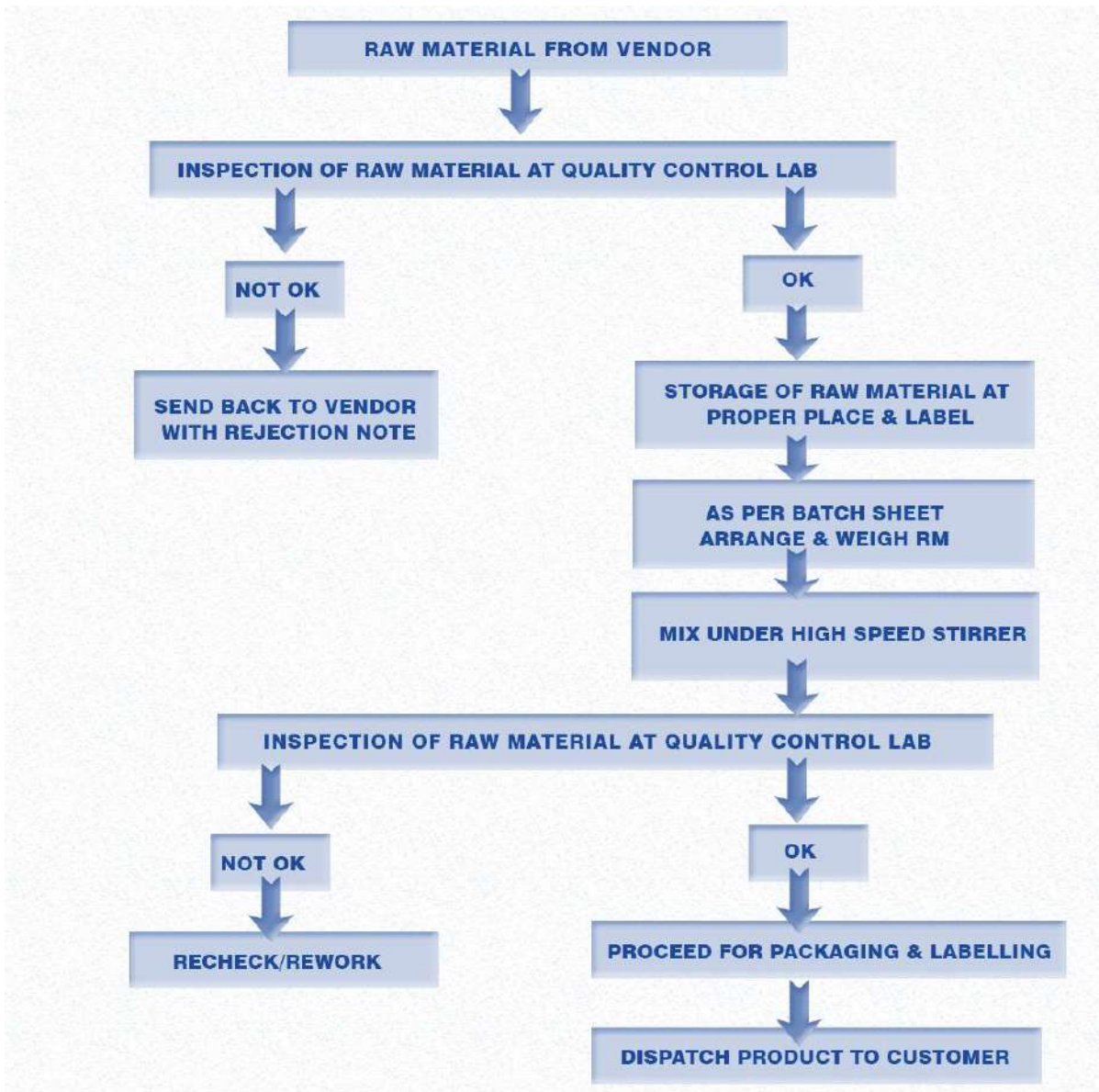
#### ***Unit II – Ambethi, Valsad, Gujarat\****

We have expanded our manufacturing capacity by setting up a greenfield facility at Ambethi, Valsad, Gujarat. The land acquired by our Company is 14,729 sq. mtrs. (approx.) and developed into two manufacturing lines covering a total area of about 57,883 sq. ft. This unit has dedicated to manufacture our entire range of Powder and Liquid products with an installed capacity of 18,000 MTPA. The Phase -2 Unit has been set up for production of Dry Mix Powder products with a capacity of about 12500 metric tonnes per annum and Liquid Products with a capacity of about 8000 metric tonnes per annum.

\*One of our manufacturing units at Plot No.1187, Survey No.1656, B/1, Beside Ankit Petrol pump, Vasda road, Chikhli, Navsari 396521, Gujarat have been permanently closed and all the operations are transferred to Unit II – Ambethi, Valsad, Gujarat.

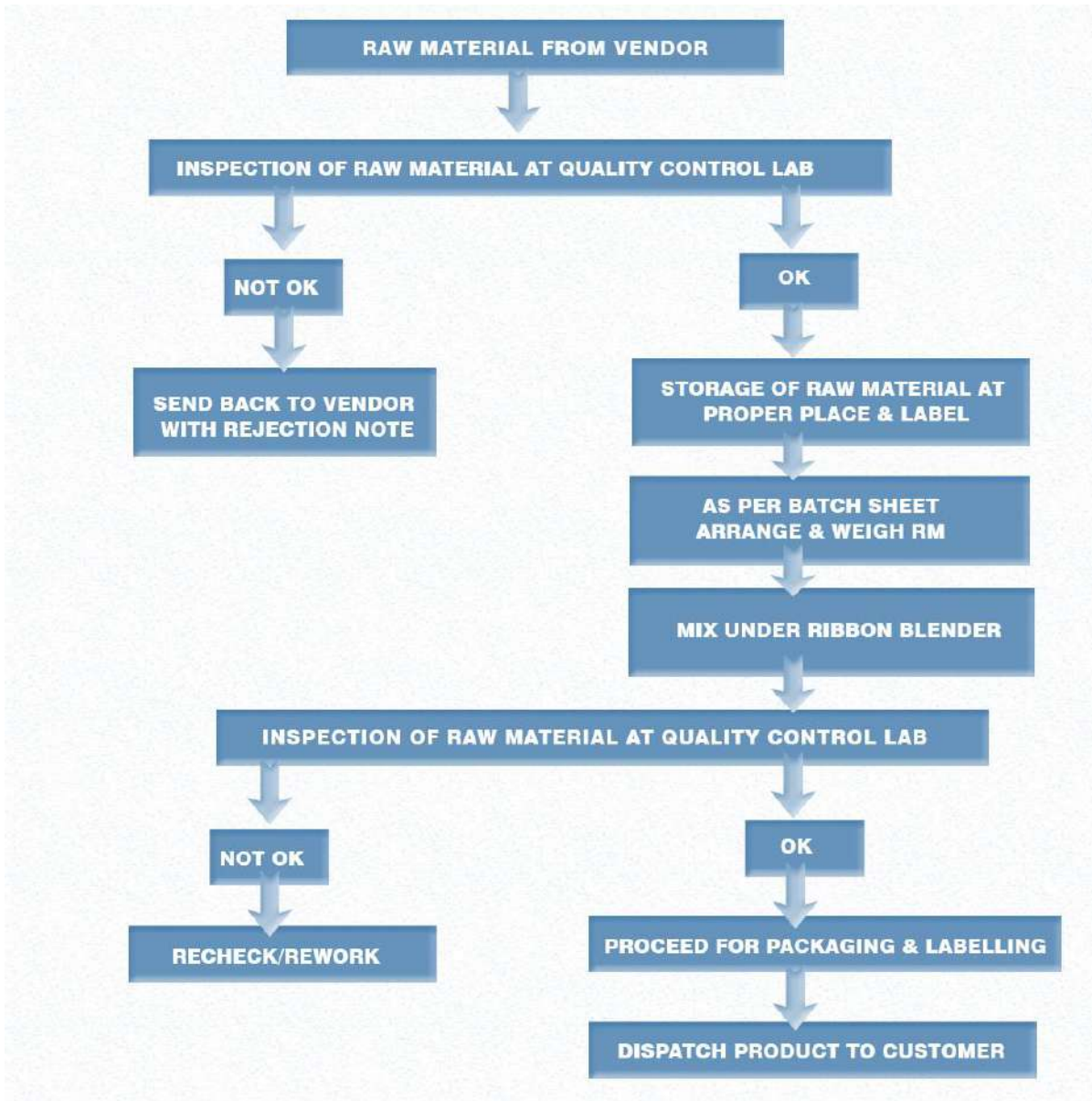
### **Manufacturing Process - Liquid Products**

We have a monthly production plan for the liquid manufacturing. Based on the total quantity to be manufactured of each SKU (Stock Keeping unit), the production team will raise an indent on our purchase department. Our purchase team will procure the relevant raw material taking into consideration the stock in hand, total transit time and MOQ of the material. Once the material is received at our manufacturing unit, our quality control team will test the incoming raw material on parameters defined in the quality plan. The tested and accepted material by the quality control department is taken into stores and issued to our production team as per the batch sheet of the product to be manufactured. The manufacturing process for these products is set-out below:



### Manufacturing Process – Powder Products

The major component for manufacturing the powder products like ready plaster, tile adhesives, micro concrete etc. is cement and sand. We ensure to purchase cement from branded cement companies which will ensure the consistent quality of the cement. For the sand, we have our own sand drying and sieving unit to ensure high quality, silt free dry river sand. The right proportion of well graded sand is necessary for manufacturing the right quality product. Once all the raw materials are checked by the quality control team then we follow this flow chart for manufacturing the powder products:



## Our Products


Our Company manufactures various modern building materials and construction chemicals like the following:

Product	Use of the Product
Admixtures	For modifying and improving the properties of Concrete/Mortars
Tile Adhesives & Tile Grouts	For fixing of ultra-modern tiles and tile joint filling
Waterproofing Systems	Multiple waterproofing product combos to deliver leakage free structures
Wall Finishing Products	To improve the quality of external and internal surfaces
Readymix Mortars	Easy to use ready mix products for plastering and bonding
Concrete Repairs	High strength products to bring the structure back in shape
Industrial Flooring	Metallic and Non-metallic floor hardeners with patch repair products
Engineering Grouts	Special high strength grouts with dual expansion for machine and injection grouting
Anti-Corrosive Systems	Comprehensive systems to rehabilitate the reinforcement in the old structures






### Liquid Products

Our top 10 Liquid Products are as under:


Name of Product	Description	Image
MCON LW	ISI marked integral waterproofing admixture	
MCON Magic Coat WP	Single component high polymer based waterproofing coating	
MCON Magic Coat 2K	Two component Polymer Modified Waterproof Coating	

Name of Product	Description	Image
MCON Magic Coat PU	Single Pack Polyurethane Based 400% Flexible Waterproof Liquid Membrane in White Colour	
MCON Magic Coat Flexi	Single Pack White Poly Acrylic Based Flexible Waterproof Liquid Membrane	
MCON Ultra Gyp Bond	High Viscous Bonding Agent To Give Superior Grip To Gypsum Plasters	
MCON Plaster Bond	Special Polymer Bonding Agent To Give Superior Grip To Cement Plasters	

Name of Product	Description	Image
MCON Super Hack	Specialty Polymer Latex that Eliminates Need For Hacking	
MCON Bond URP	Latex Polymer For Repair Works And Waterproofing	
MCON - Maarvel Carnival Distemper	Acrylic based high build Distemper paint	

### Powder Products

Our top 10 Powder Products are as under:

Name of Product	Description	Image
MCON Ready Plaster	Ready Mix Waterproof Plaster With Polypropylene Fibres To Prevent Cracks	



Name of Product	Description	Image
MCON Block Mortar/Block Fix	Ready To Use AAC Block Joining Adhesive To Give Waterproof And Strong Bond Block Fixing	
MCON NSA Grey	Tile on Tile Grey Adhesive For Ceramic & Vitrified Tiles	
MCON Micro Mortar	High Strength Micro Concrete for Repair Works	
MCON Polymer Mortar	Ready to use repair mortar with blended polymers to give perfect repairs of small sections with smooth finish	
MCON Wall Putty	Cement Based Polymer Modified White Wall Putty for Internal Walls	

Name of Product	Description	Image
MCON Hard Floor/Top Floor	Non-Metallic/Metallic Floor Hardener For Abrasion Resistant Tough Floors	
MCON NSA Grey Gold	Grey Adhesive for Large Format Tiles for wall & Floor	
MCON NSA White	Ready To Use Super White Tile Adhesive for Marble fixing	
MCON NSA Grey No Limit	High Polymerized Cementitious Tile Adhesive in Grey Colour for Large Format Stones & Marble on Internal & External Surface	

### Research & Development

We undertake in-house research and development from our Navi Mumbai, Maharashtra based R&D facility. This facility is equipped with modern equipment and research personnel from the modern building materials and chemical industry are working with us. Some of the equipment installed by us include weighing scale, weighing balance, water bath, vernier caliper, thermometer, themohyrometer, SS scale, shear & adhesion test machine, spectrophotometer, measuring tape, hot air oven, external micrometer and digital stop watch.

We have a new product development team which comprises of members from our sales team, on-site technical team, production team and of course the R&D team. On this platform, we discuss the challenges faced by the construction industry and try to figure out a product within our production capability which can satisfy their need. This need based solution ensures a great acceptance in the market of the newly launched products and also gives us recognition in the eyes of our customers. The R&D team has got internal members from construction chemicals background who have done thorough research on the products and hold master’s degree.

We have created eight (8) innovative products in the past three (3) years either independently or in consultation with our clients.

- Plaster Bond – A ready to use anti-hacking product which aids in bonding of cement plaster to RCC walls and ceilings.
- Self-cure ready plaster – A ready to use cementitious plaster which doesn't require water curing.
- Ready plaster Render – An easy to apply rendering mortar for thin set plastering on AAC block walls.
- Magic Coat PU – A polyurethane based liquid membrane which helps in giving the perfect solution and replacement for membrane waterproofing systems.
- Polymer Mortar EP – Ready to use polymer mortar with excellent bonding and great strength which gives high class finish.
- Magic Coat Flexi – Fiber reinforced poly-acrylic coating for waterproofing of external slabs and walls with 150% elongation.
- Magic Seal PU – Polyurethane based structural sealant for construction joints and glass/aluminum gaps.
- Steel 2K – two component polymer based anticorrosive coating for steel reinforcement.

In the current financial year we have launched the following new products to our existing line of products:

- MCON CI 300: Corrosion Inhibiting Concrete Admixture - Bipolar corrosion inhibiting admixture in liquid form for reinforced concrete and mortar.
- MCON EPOXY SBA: Epoxy Adhesive for Segmental Bridge – This is a solvent free thixotropic two-part epoxy adhesive for bonding prefabricated concrete bridge segments.
- MCON 2K EPOXY PRIMER: Epoxy Primer - This is a two component, epoxy-based primer is suitable for priming concrete / metal surfaces, including walls, prior to the application of any epoxy flooring, epoxy coating and epoxy repair mortar.

### Testing and Quality Control

Our products undergo stringent quality tests to meet industry standards before they are delivered to our clients. We undertake various tests like compressive strength test, alkali content test, harden concrete permeability test, water retention efficiency and currying efficiency test, special gravity test and solid content test. These tests ensure that our products meet the industry standards required by our clients for safety, durability and consistency. We maintain high standards for quality control and have modern machines operated by skilled operators under proper quality control and strict supervision. We undertake the following tests on a sample basis on our products.

### CAPACITY AND CAPACITY UTILIZATION

Capacity and capacity utilization for the period ended Fiscals 2024, 2023 and 2022:

#### a. Dry-Mix Powder:

Installed Capacities of Units for Production of Dry-Mix Powder:

Unit	FY 2021-22	FY 2022-23	FY 2023-M
Sarigam	1300 MTPA (1 Shift)	1900 MTPA (1 Shift)	1900 MTPA (1 Shift)
Chikhli	12500 MTPA (3 Shifts)	12500 MTPA (3 Shifts)	12500 MTPA (3 Shifts)
Ambethi	-	-	24000 MTPA (3 Shifts)

Actual Productions of Units for Dry-Mix Powder:

Unit	FY 2021-22	FY 2022-23	FY 2023-24
Sarigam	1550 MTPA (1 Shift)	7605 MTPA (3 Shifts)	7410 MTPA (3 Shifts)
Chikhli	15700 MTPA (3 Shifts)	20300 MTPA (3 Shifts)	2723 MTPA (3 Shifts)
Ambethi'	-	-	19171 MTPA (3 Shifts)

Note.' Chikhli Unit was closed in June 2023 end Ambethi Unit commenced commercial production from June 2023 The production from June of 2023.

The production figures of Ambethi Unit are of 10 months...

The Capacity Utilization for Dry-Mix Powder:

Unit	SARIGAM			CHIKHLI			AMBETHI		
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2021-22	FY 2022-23	FY 2023-24	FY 2021-22	FY 2022 - 23	FY 2023-24

<b>Installed Capacity (MTPA)</b>	1300 (1 Shift)	5700 (3 Shifts)	5700 (3 Shifts)	12500 (3 Shifts)	12500 (3 Shifts)	12500 (3 Shift)	-	-	24000 (3 Shifts)
<b>Actual Production (MTPA)</b>	1550	7605	7410	15700	20300	2723	-	-	19171
<b>Capacity /Utilization</b>	1199%	133%	130%	126%	162%	22%	-	-	80%

b. **Liquid Products (Construction Chemicals):**

**Installed Capacities of Units for Production of Liquid Products:**

Unit	FY 2021-22	FY 2022-23	FY 2023-24
<b>Sarigam</b>	700 MTPA (1 Shift)	900 MTPA (1 Shift)	900 MTPA (1 Shift)

**Actual Production for Liquid Products:**

Unit	FY 2021-22	FY 2022-23	FY 2023-24
<b>Sarigam</b>	794 MTPA (1 Shift)	2295 MTPA (2 Shifts)	2465 MTPA (2 ShiRs)

**Capacity Utilization for Liquid Products:**

	FY 2021-22	FY 2022-23	FY 2023-24
<b>Installed Capacity (MTPA)</b>	700 (1 Shift)	1800 (2 Shift)	1800 (2 Shift)
<b>Actual Production (MTPA)</b>	794 MTPA (1 Shift)	2295 MTPA (2 Shifts)	2465 kTTPA (2 Shifts)
<b>Capacity Utilization</b>	113%	128%	137%

\*The utilised capacity is calculated on the basis of manufacturing in double shifts per day.

**Raw Materials**

The major raw materials required for our products is cement, sand and special chemicals which are procured from local distributors around our units.

**Inventory Management**

Our manufacturing team is assisted by our purchase team for the purpose of inventory management of raw material and finished goods. The inventory levels are planned based on historical trends and expected orders, which are confirmed due to our long-standing relationships with customers. Since, our finished goods have multiple variants, we generally manage and maintain adequate inventory level for our finished goods to ensure timely delivery to our customers.

**Utilities**

**Power**

All our manufacturing units have adequate power supply from the public / state supply utilities. The following is the details of electricity load for manufacturing units:

Details of manufacturing unit	Electricity load
Unit I	50 KVA
Unit II	480 KVA

### **Water**

Our Unit I source their water supply from GIDC. Water requirements for our Unit II is availed from the local gram panchayat once the plant is ready for operations.

### **Environment, Health and Safety**

We are committed to following applicable environmental and occupational health and safety laws as well as industry best practices. The personal health and safety of each employee of our organization is of primary importance. We believe that our employees are important assets and their safety at our worksite is our responsibility. Our Company provides the necessary equipment and facilities required for the personal safety and health of each employee, workers and contractors at our manufacturing units. We implement work safety measures to ensure a safe working environment including general guidelines for health and safety at our manufacturing units, accident reporting, wearing safety equipment and maintaining clean and orderly work locations.

We continually aim to comply with the applicable health and safety regulations and other requirements in our business operations.

### **Information Technology**

We utilize Tally ERP for finance & accounting. We use Spine HR for human resources management across our offices and manufacturing units.

### **Sales and Marketing**

Our Company has a centralised sales and marketing division garnering clients for its products and building strong relations with them. The division is controlled by one of our Executive Director.

We have an efficient sales & marketing team at our Registered Office and support teams at our Units. Our sales and marketing team consists well experienced and qualified people to develop, maintain and increase relations with our customers. Our marketing team plays an important role in the development of new products based on their study and feedback on latest industrial needs. Our Registered Office and manufacturing units are well synchronised and we endeavour to keep the updated from time to time. We target our marketing activities towards the Contractors, Builders, Architects, Civil Engineers, Contractors and Building Material Shops. We maintain customer relations by attending local exhibitions and meetings in person. New customer as well as product development is mainly through participation in exhibitions to stay updated on industry trends, finding new products and customers. We also periodically advertise in industry specific magazine which showcases our products to the right clientele.

Our institutional sales business involves developers, civil and infrastructure contractors and government bodies. We are already empanelled with MCGM, MHADA and CIDCO and we are also supplying our products for use in various projects of these government bodies like metro rail development, flyovers, bridges etc. We have also recruited an experienced team of Civil Engineers for Technical back up and Sales Professionals for generating the sales. We mainly focus on the following steps to get the orders –

- a) Generating Inquiries – The main sources are our project dealers, visits to the projects by our sales team and online inquiries generated due to digital marketing as well as premium registration on online markets.
- b) Approaching the Project Customer – Our team then approaches the project customer with all the mapping of the project. They carry along with them the technical datasheets of the products, the relevant test certificates, approvals from government departments like CIDCO, MHADA and MCGM as well as the testimonials from other reputed institutional clients.
- c) Sampling – Once the product need is established then we do the sampling at the customer’s end and convince his quality control team on the parameter match of our product against their requirement.
- d) Negotiation and Closure – Our sales leaders along with our project dealers meet the purchase team to close the orders and supply the material as per the purchase order raised.

### **Manpower**

The detailed break-up of our employees is as under:

<b>Department</b>	<b>Number of employees</b>
Sales & Marketing	30
Technical	6
Administration	26
Others	43
<b>Total</b>	<b>105</b>

We also deploy contractual labour at our manufacturing units as per requirements.

### **Exports and Export Obligations**

There are no export obligations as on date of this PPD.

### **Freight & Logistics**

We own 4 (four) commercial vehicles which are used to deliver finished products to our customers. In addition to our own fleet of commercial vehicles, we also engage third party transport for delivery of our raw materials and finished products.

## Competition

Modern building materials and construction chemicals is a competitive industry in India with various large and small domestic and manufacturers companies. The organised players in the industry compete with each other by providing high quality, consistent and time bound products and value-added services. We have a number of competitors offering products similar to us. We ensure the product quality, timely delivery, product innovation, customisation in products which helps us to maintain strong relationship with our customers. The major Competitors in our industry are Asian Paints, Pidilite, Astral and Ultratech.

## Insurance

Our operations are subject to various risks in the manufacturing industry. Accordingly, we maintain insurance policies for our manufacturing units, Corporate Office, buildings, plant and machinery, electrical installation, and stocks due to fire and other perils. Further, we have also maintained fire and burglary policy for our raw material, semi-finished goods and finished goods stored at our manufacturing units. We have also maintained insurance policies for our vehicles.

We also have group medical claim policy for executive directors and some of our employees.

These insurance policies are reviewed periodically to ensure that the coverage is adequate. We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurances. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.




For further details, please see, “Risk Factor – Our insurance cover may not adequately protect us against all material hazards and accidents.” on page 43.

## Corporate Social Responsibility

As on the date of this PPD, our Company is not required to contribute towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013,

## Intellectual Property

The following table sets forth the status and particulars of registered trademark and applications filed by our Company Trademark registry:

Particulars of Trademark/Logo	Type of Trademark	Application Number	Class	Status
	Wordmark	4266760	1	Registered
	Wordmark	2855616	1	Registered
	Wordmark	5072105	2	Objected
MCON- Maarvel	Wordmark	5072104	2	Objected
MCON LW	Wordmark	5561676	1	Marked for examination
MCON MAGIC COAT	Wordmark	5561675	37	Marked for examination
MCON SUPER HACK	Wordmark	5561678	37	Marked for examination
MCON SUPER TUFF	Wordmark	5561679	2	Marked for examination
MCON HARD FLOOR (NON-METALLIC)	Wordmark	5561680	19	Marked for examination
MCON TOPFLOOR	Wordmark	5561677	1	Marked for examination
MCON NSG 60	Wordmark	5561681	19	Marked for examination
Trusted Partner in Construction Chemicals	Wordmark	5490028	1	Objected

For further details, “Risk Factor – An inability to protect, strengthen and enhance our existing brands, and successfully launch and market new brands, could adversely affect our business prospects and financial performance.” on page 34, respectively.

## Immovable Property

Our Company owns the following immovable properties:

Address of Premises	Purpose
New Survey No. 2084, 2086, 2087 at Village Ambethi, Taluka Kaparada, District Valsad 396 191, Gujarat.	Unit II

Our Company has taken the following immovable properties on leave & license basis:

Address of Premises	Name of Licensor	Term/ Tenure	Purpose
Plot No. 801, Gujarat Industrial Development Corporation, Sarigam, Valsad 396 155, Gujarat.	Gujarat Industrial Development Corporation	99 years with effect from January 27, 2010	Unit I
Office No: 101/A, Maxheal House, Bangur Nagar, Goregaon West Mumbai 400 104, Maharashtra.	Sakhala Madanlal Mohanlal	3 years with effect from June 1, 2022 to May 31, 2025	Registered Office
Gala No. 6, Baradanwala Estate, Bandivali Hill Road, Jogeshwari West, Mumbai 400 102, Maharashtra.	Puja Mahesh Bhanushali	April 1, 2022 to March 31, 2025	Corporate Office
Gujarat Industrial Development Corporation, Sarigam Valsad 396 155, Gujarat.	Jayshreeben Dilipbhai Bhandari	11 months with effect from November 1, 2022 to September 30, 2023	Warehouse
Plot No. A – 373, Maharashtra Industrial Development Corporation TTC, Industrial estate, Mahape, Koparkhairane, Navi Mumbai 400 701, Maharashtra	Nayar Business Centre Private Limited	3 years with effect from August 1, 2022 to July 31, 2025	R&D Facility

## BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

### Board of Directors

Our Articles of Association require us to have not less than three (3) and not more than fifteen (15) Directors. Our Company currently has eight (8) Directors on our Board, out of which one (1) is Chairman and Managing Director, two (2) are Whole-time Directors, one (1) is Non-Executive Director being a woman Director and four (4) are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

Pursuant to the provisions of the Companies Act, 2013, at least two-third of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each AGM. A retiring Director is eligible for re-election. Further, an Independent Director may be appointed for a maximum of two consecutive terms of up to five consecutive years each. Any re-appointment of Independent Directors shall, inter alia, be on the basis of the performance evaluation report and approved by the shareholders by way of special resolution.

The following table sets forth details of our Board as on the date of this Placement Document:

No.	Name, address, occupation, term, nationality and DIN	Age (years)	Designation
1.	<p><b>Mahesh Ravji Bhanushali</b></p> <p><i>Address:</i> B/34, Sai Baba Enclave, Tower Building No. 3. S. V. Road, Goregaon (W), Mumbai- 400 104, Maharashtra, India.</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> Five (5) years with effect from December 19, 2022 to December 18, 2027</p> <p><i>Nationality:</i> Indian</p> <p><i>DIN:</i> 07585072</p>	40	Chairman and Managing Director
2.	<p><b>Puja Mahesh Bhanushali</b></p> <p><i>Address:</i> B/34, Sai Baba Enclave, Tower Building No. 3. S. V. Road, Goregaon (W), Mumbai- 400104, Maharashtra, India.</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> Liable to retire by rotation.</p> <p><i>Nationality:</i> Indian</p> <p><i>DIN:</i> 07586657</p>	37	Non-Executive Director
3.	<p><b>Chetan Ravji Bhanushali</b></p> <p><i>Address:</i> B/34, Sai Baba Enclave, Bldg 3, S. V. Road, Motilal Nagar, Goregaon (W), Mumbai- 400 104, Maharashtra, India</p> <p><i>Occupation:</i> Business</p> <p><i>Term:</i> Five (5) years with effect from December 19, 2022 to December 18, 2027 and liable to retire by rotation.</p> <p><i>Nationality:</i> Indian</p> <p><i>DIN:</i> 09341600</p>	38	Whole-time Director



No.	Name, address, occupation, term, nationality and DIN	Age (years)	Designation
4.	<p><b>Nandan Dilip Pradhan</b></p> <p><i>Address:</i></p> <p><i>Occupation:</i> Service</p> <p><i>Term:</i> Five (5) years with effect from December 19, 2022 to December 18, 2027 and liable to retire by rotation.</p> <p><i>Nationality:</i> Indian</p> <p><i>DIN:</i> 09828134</p>	51	Whole-time Director
5.	<p><b>Tapas Bimal Majumdar</b></p> <p><i>Address:</i> A/504, Harivijay CHS LTD, Shimpoli Road, Opp. Shimpoli Telephone Exchange, Shimpoli, Borivali West, Mumbai -400092, Maharashtra, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Term:</i> Five (5) years with effect from December 19, 2022 to December 18, 2027</p> <p><i>Nationality:</i> Indian</p> <p><i>DIN:</i> 07609937</p>	54	Independent Director
6.	<p><b>Dilip Mangilal Jain</b></p> <p><i>Address:</i> B-204, Shraddha, Near Surbhi Hotel, Asha Nagar, Kandivali (East), Mumbai- 400101, Maharashtra, India.</p> <p><i>Occupation:</i> Professional</p> <p><i>Term:</i> Five (5) years with effect from December 19, 2022 to December 18, 2027</p> <p><i>Nationality:</i> Indian</p> <p><i>DIN:</i> 03569547</p>	56	Independent Director
7.	<p><b>Dhara Haresh Thakkar</b></p> <p><i>Address:</i> Opp. Navbharat School, 10/G Azad Bhuvan CHS, N.S Road, Mulund West, Mulund West, Mumbai -400080, Maharashtra, India.</p> <p><i>Occupation:</i> Professional</p> <p><i>Term:</i> Five (5) years with effect from December 19, 2022 to December 18, 2027</p> <p><i>Nationality:</i> Indian</p> <p><i>DIN:</i> 09785362</p>	34	Independent Director
8.	<p><b>Sonal Alok Doshi</b></p> <p><i>Address:</i> Flat No -01 Siddharth Apartment, C.S Link Road, Opposite Anand Nursing Home Dahisar (East), Mumbai -400068, Maharashtra.</p> <p><i>Occupation:</i> Professional</p> <p><i>Term:</i> Five (5) years with effect from December 19, 2022 to December 18, 2027</p> <p><i>Nationality:</i> Indian</p> <p><i>DIN:</i> 03434461</p>	45	Independent Director

#### Relationship with other Directors

Except as mentioned below, none of our other Directors are related to each other:

Name of the Director	Related	Nature of Relationship
Mahesh Ravji Bhanushali	Puja Mahesh Bhanushali	Spouse
Mahesh Ravji Bhanushali	Chetan Ravji Bhanushali	Brother
Puja Mahesh Bhanushali	Mahesh Ravji Bhanushali	Spouse
Puja Mahesh Bhanushali	Chetan Ravji Bhanushali	Brother-in-law
Chetan Ravji Bhanushali	Mahesh Ravji Bhanushali	Brother
Chetan Ravji Bhanushali	Puja Mahesh Bhanushali	Sister-in-law

### Borrowing powers of the Board

The Board of Directors are vested with the power to borrow, pursuant to Section 179(3)(d) of Companies Act 2013. However, pursuant to Section 180(1)(c) Companies Act, 2013 and the rules made thereunder that any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), exceeds the aggregate of the paid-up capital of the Company and free reserve, the approval of shareholders' by way of Special Resolution will be required. The company has passed a special resolution dated December 19, 2022 for approval of borrowing limits not exceeding ₹ 10,000 Lakhs.

### Shareholding details of our Directors

The following table sets forth details of shareholding of our Directors as on the date of this Placement Document:

No.	Name of the Director	Number of fully paid-up Equity Shares held	Percentage
1.	Mahesh Ravji Bhanushali	35,00,285	55.527
2.	Puja Mahesh Bhanushali	1,13,625	1.8025
3.	Chetan Ravji Bhanushali	4,73,625	7.5134
4.	Nandan Dilip Pradhan	4,589	0.0728

### Sitting Fees/ Remuneration details of our Directors

Our Independent Directors are entitled to receive sitting fees for attending meetings of our Board of Directors or any of its committee and other payments as may be determined by our Board of Directors from time to time. Pursuant to a resolution passed by our Board of Directors dated December 19, 2022 our Independent Directors are entitled to sitting fees of ₹ 5,000 for attending each meeting of our Board of Directors.

Name of the Director	Sitting Fees/Remuneration		
	For Fiscal 2024	For Fiscal 2023	For Fiscal 2022
Puja Mahesh Bhanushali	-	-	-
Tapas Bimal Majumdar	1,06,500	18,500	-
Dilip Mangilal Jain	1,06,500	18,500	-
Dhara Haresh Thakkar	47,000	18,500	-
Sonal Alok Doshi	1,06,500	18,500	-

For further details on the related party transactions, with our Directors during the last three Fiscals, see "*Related Party Transactions*" beginning on page 58.

### Terms of Appointment of our Executive Directors

#### i. Executive Director

<b>Name</b>	<b>Mr. Mahesh Ravji Bhanushali</b>
<b>Designation</b>	Managing Director
<b>Period</b>	December 19, 2022 to December 18, 2027
<b>Date of approval of shareholder</b>	September 29, 2023
<b>Remuneration</b>	Rs. 24 lakh p.a.
<b>Perquisite</b>	As per the Rules of the Company

<b>Name</b>	<b>Mr. Chetan Ravji Bhanushali</b>
<b>Designation</b>	Whole Time Director
<b>Period</b>	December 19, 2022 to December 18, 2027
<b>Date of approval of shareholder</b>	September 29, 2023
<b>Remuneration</b>	Rs. 18 lakh p.a.
<b>Perquisite</b>	As per the Rules of the Company

<b>Name</b>	<b>Mr. Nandan Dilip Pradhan</b>
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<b>Designation</b>	Whole Time Director
<b>Period</b>	December 19, 2022 to December 18, 2027
<b>Date of approval of shareholder</b>	September 29, 2023
<b>Remuneration</b>	Rs. 37.20 lakh p.a.
<b>Perquisite</b>	As per the Rules of the Company

The following table set forth the compensation paid by our Company to the Executive Director during Fiscals 2024, 2023 and 2022: (Rs. In Lakhs)

Name of the Executive Directors	For Fiscal 2024	For Fiscal 2023	For Fiscal 2022
Mahesh Ravji Bhanushali	24.00	24.00	18.77
Chetan Ravji Bhanushali	18.00	18.00	11.68
Nandan Dilip Pradhan	37.20	8.89	-

#### ii. Non-Executive Director

Non-Executive Non-Independent Directors and Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

### KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel are permanent employees of our Company. In addition to the Chairman and Managing Directors the details of our other Key Managerial Personnel in terms of the Companies Act and the SEBI ICDR Regulations as on the date of this Placement Document are set forth below:

<b>Name</b>	<b>Mrs. Veenita Nishit Tanna</b>
<b>Date of Appointment</b>	December 19, 2022
<b>Designation</b>	Chief Financial Officer
<b>Qualification</b>	Post Graduate in Commerce
<b>Previous Employment</b>	KPMG, Grant Thornton and Boston Consulting group
<b>Overall Experience</b>	9 years
<b>Remuneration</b>	3,00,000 p.a.

<b>Name</b>	<b>Mrs. Aesha Karan Shah</b>
<b>Date of Appointment</b>	December 02, 2023
<b>Designation</b>	Company Secretary and Compliance Officer
<b>Qualification</b>	CS, LL.M., LL.B. and Commerce Graduate
<b>Overall Experience</b>	4 years
<b>Remuneration</b>	5,40,000 p.a.

#### Shareholding of our Key Managerial Personnel

No.	Name of the Key Managerial Personnel	Number of fully paid-up Equity Shares held	Percentage
1	Ms. Aesha Karan Shah	-	-
2	Ms. Veenita Nishit Tanna	-	-

#### Relationship between Key Managerial Personnel and Senior Management

None of the Key Managerial Personnel and Senior Management are related to each other.

#### Interest of our Directors, Key Managerial Personnel and Senior Management

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to any bodies corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

The Key Managerial Personnel and Senior Management of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them and to the extent of the Equity Shares held by them or their dependents in our Company, if any, any dividend payable to them.

Other than as disclosed in this Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors are interested. Our Company has neither availed of any loans from, nor extended any loans to our Directors, which are currently outstanding.

For further details on the related party transactions, with our Directors during the last three Fiscals, see "*Related Party Transactions*" beginning on page 58 of this Placement Document.

Our Directors have no interest in the promotion of our Company as on the date of this Placement Document except the directors who are also the promoters of the company.

Our Company does not have any bonus or profit-sharing plan with its Directors or Senior Management.

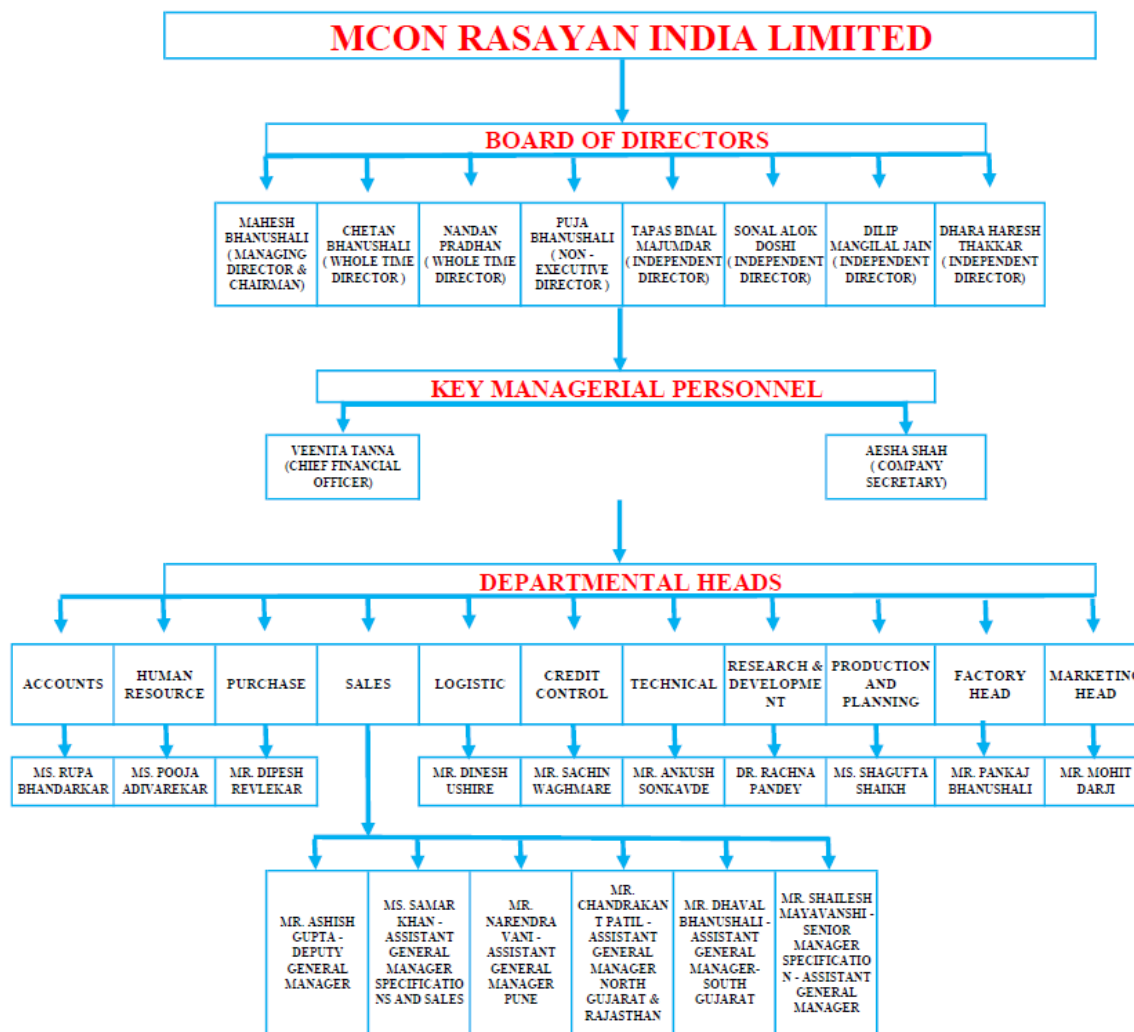
### **Corporate governance**

Our Company is in compliance with the corporate governance requirements including the constitution of Board and Committees thereof, as prescribed under the Companies Act and SEBI Listing Regulations.

### **Committees of the Board of Directors**

The Board of Directors have constituted committees, which function in accordance with the relevant provisions of the Companies Act and the SEBI Listing Regulations. The following table sets forth the members of the aforesaid committees as of the date of this Placement Document:

<b>Name of the Committee</b>	<b>Members</b>
Audit Committee	Mr. Dilip Mangilal Jain Mr. Sonal Alok Doshi Mr. Mahesh Ravji Bhanushali
Nomination and Remuneration Committee	Mr. Tapas Bimal Mujumdar Ms. Dhara Hareesh Thakkar Ms. Puja Mahesh Bhanushali
Stakeholders' Relationship Committee	Mr. Dilip Mangilal Jain Ms. Puja Mahesh Bhanushali Ms. Dhara Hareesh Thakkar



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**Other Confirmations**

None of the Directors, Promoters of our Company has any financial or other material interest in the Issue.

Neither our Company, nor any of our Directors or Promoters has been declared as a Willful Defaulter in the last ten years by any bank or financial institution or consortium thereof.

None of the Directors or the companies with which they are or were associated as promoters, directors are debarred from accessing the capital markets under any order or direction passed by the SEBI or any other governmental authority. Neither our Company, nor our Promoters or the companies with which our Promoters is or has been associated with a promoter or a person in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other governmental authority.

None of our Directors or Promoters has been declared as a Fugitive Economic Offender.

None of our Directors, Promoters, Key Managerial Personnel of our Company intends to subscribe to the Issue.

**Policy on disclosures and internal procedure for prevention of insider trading**

SEBI Insider Trading Regulations applies to us and our employees and requires us to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by designated persons. Our Company is in compliance with the same and has implemented an insider trading code of conduct for prevention of insider trading in accordance with the SEBI Insider Trading Regulations, in terms of which, Company Secretary, acts as the Compliance Officer of our Company under the aforesaid code of conduct for the prevention of insider trading.

## ORGANISATIONAL STRUCTURE OF OUR COMPANY

### Corporate History

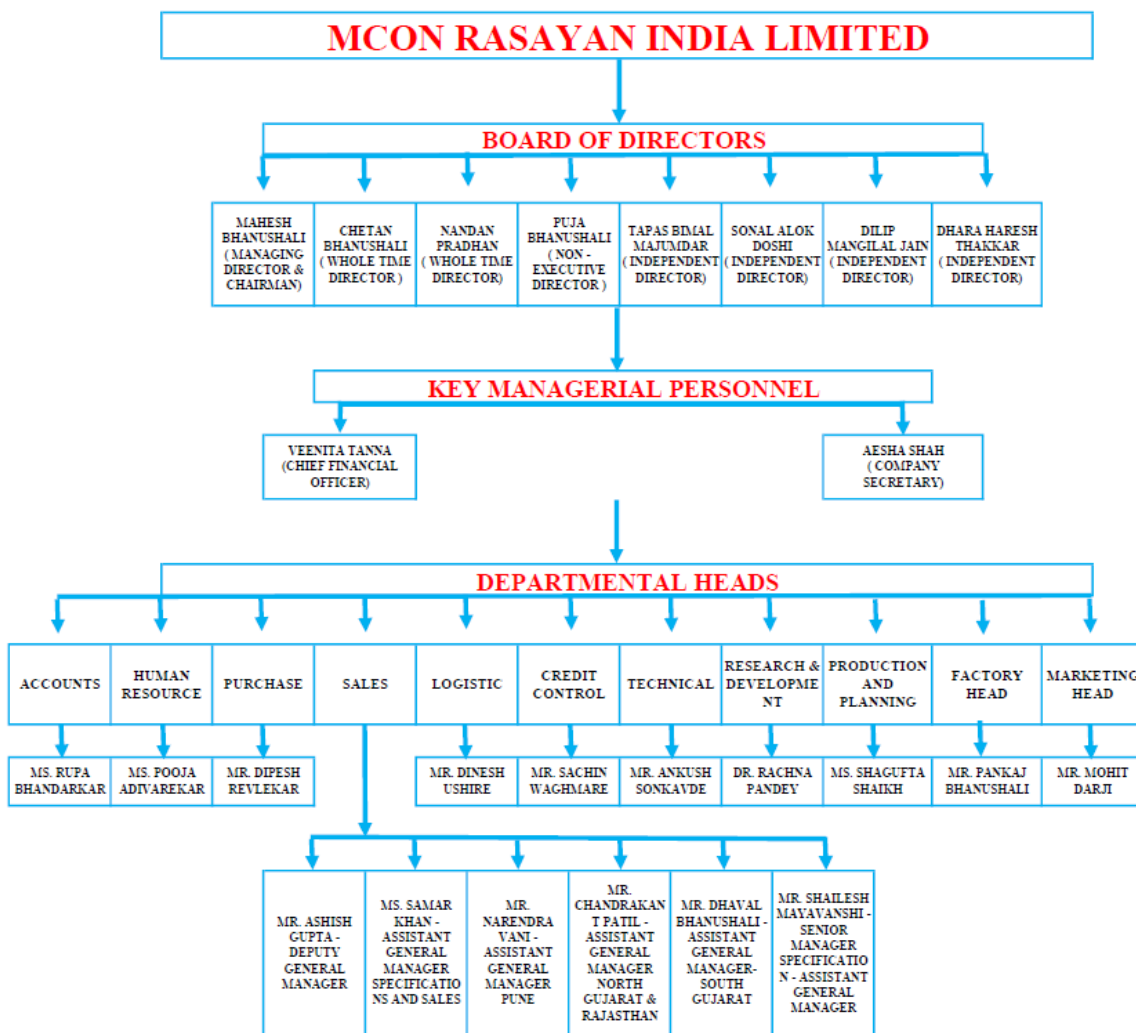
Our Company was originally incorporated as ‘MCON Rasayan Private Limited’ a private limited company under the Companies Act, 2013 at its registered office situated at Gala No.6, Bardanwala Estate, Opp. Malkani Tower, Near Dutt Mandir, Bandiwali Hill Road, Jogeshwari, Mumbai, Mumbai City, Maharashtra, India, 400102, pursuant to a certificate of incorporation dated September 22, 2016 issued by the Registrar of Companies Maharashtra at Mumbai (“RoC”). Thereafter, the name our Company was changed from ‘MCON Rasayan Private Limited’ to ‘MCON Rasayan India Private Limited’, pursuant to a special resolution passed by the shareholders of our Company on September 23, 2022 and a fresh certificate of incorporation consequent to change of name was issued by the RoC, Mumbai on October 17, 2022. Thereafter, name of our Company was changed from ‘MCON Rasayan India Private Limited’ to Mcon Rasayan India Limited’ consequent to conversion of our Company from private to public company, pursuant to a special resolution passed by the shareholders of our Company on October 18, 2022, and a fresh certificate of incorporation consequent to change of name was issued by the RoC, Mumbai on December 12, 2022. The Company’s Corporate Identity Number is L24304MH2016PLC286140.

The registered office of our Company was changed from Gala No. 6, Bardanwala Estate, Opp. Malkani Tower, Near Dutt Mandir, Bandiwali Hill Road, Jogeshwari, Mumbai, Maharashtra- 400102, India to 101/A, 1st floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Goregaon-West, Near Ayyappa Temple, Mumbai, Maharashtra-400090, India for operational facility.

Our Equity Shares are listed on NSE Emerge Platform as on March 20, 2023.

### Organizational Structure

Our organisational structure is set forth below.



## SHAREHOLDING PATTERN OF OUR COMPANY

Shareholding pattern of our Company as on November 01, 2024.

### Summary Statement holding of specified securities

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held(b)	No.	As a % of total Shares held(b)	
								Class eg: X	Class eg: Y	Total								
(A)	Promoter & Promoter Group	5	4201161	0	0	4201161	69.261	4201161	0	4201161	66.65	0	66.65	19,54,375	46.52	0	0	4201161
(B)	Public	501	2102589	0	0	2102589	33.35	2102589	0	2102589	33.35	0	33.35	0	0	NA	NA	2102589
(C)	Non Promoter - Non Public				0				0			0		0	0	NA	NA	
(C1)	Shares Underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0
	Total	506	6303750	0	0	6303750	100	6303750	0	6303750	100	0	100	19,54,375	46.52	0	0	6303750

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

	Category & Name of the shareholders	Entity Type	PAN	Nos. of shareholders	No. of fully paid up equity shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form	
										No of Voting Rights					Total as a % of Total Voting Rights	No. (a)	As a % of total Shares held(b)	No. (a)		As a % of total Shares held(b)
										Class eg: X	Class eg: y	Total								
<b>1</b>	<b>Indian</b>																			
(a)	Individuals / Hindu Undivided Family			5	4201161	0	0	4201161	66.65	4201161	0	4201161	66.65	0	66.65	19,54,375	46.52	0	0	4201161
	Mahesh Ravji Bhanushali	Promoters	AGAPB2831L	1	3500285	0	0	3500285	55.527	3500285	0	3500285	55.527	0	55.527			0	0	3500285
	Chetan Ravji Bhanushali	Promoters	AILPB0690E	1	473625	0	0	473625	7.5134	473625	0	473625	7.5134	0	7.5134	0	0	0	0	473625
	Nilam Chetan Bhanushali	Promoters	AUUPB7400R	1	113625	0	0	113625	1.8025	113625	0	113625	1.8025	0	1.8025	0	0	0	0	113625
	Puja Mahesh Bhanushali	Promoters	AFJPC1016J	1	113625	0	0	113625	1.8025	113625	0	113625	1.8025	0	1.8025	0	0	0	0	113625
	Vimla Ravji Bhanushali	Promoters	AFYPB5959E	1	1	0	0	1	0	1	0	1	0	0	0	0	0	0	0	1
(b)	Central Government / State Government(s)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Financial Institutions / Banks			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Any Other (Specify)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub Total (A)(1)</b>			<b>5</b>	<b>4201161</b>	<b>0</b>	<b>0</b>	<b>4201161</b>	<b>66.65</b>	<b>4201161</b>	<b>0</b>	<b>4201161</b>	<b>66.65</b>	<b>0</b>	<b>66.65</b>	<b>19,54,375</b>	<b>46.52</b>	<b>0</b>	<b>0</b>	<b>4201161</b>
<b>2</b>	<b>Foreign</b>																			
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Government			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Institutions			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Foreign Portfolio Investor			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Any Other (Specify)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub Total (A)(2)</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)</b>			<b>5</b>	<b>4201161</b>	<b>0</b>	<b>0</b>	<b>4201161</b>	<b>66.65</b>	<b>4201161</b>	<b>0</b>	<b>4201161</b>	<b>66.65</b>	<b>0</b>	<b>66.65</b>	<b>19,54,375</b>	<b>46.52</b>	<b>0</b>	<b>0</b>	<b>4201161</b>





(e)	Foreign Portfolio Investors Category II		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
(f)	Overseas Depositories (holding DRs) (balancing figure)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
(g)	Any Other (Specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
	Sub Total (B)(2)		1	95000	0	0	95000	1.507	95000	0	95000	1.507	0	1.507	0	0	NA	NA	95000	0	0	0
3	Central Government/ State Government(s)																					
(a)	Central Government / President of India		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
(b)	State Government / Governor		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
(C)	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
	Sub Total (B)(3)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
4	Non-Institutions			0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
(a)	Associate companies / Subsidiaries		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
(b)	Directors and their relatives (excluding Independent Directors and nominee Directors)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
(C)	Key Managerial Personnel		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
(D)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
(E)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', beneficiary', or 'author of the trust'		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
(f)	Investor Education and Protection Fund (IEPF)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0

(g)	<b>i. Resident Individual holding nominal share capital up to Rs. 2 lakhs.</b>		438	97058 9	0	0	97058 9	15.4062	97058 9	0	97058 9	15.40 62	0	15.4062	0	0	NA	NA	970589	0	0	0
(h)	<b>ii. Resident individual holding nominal share capital in excess of Rs. 2 lakhs.</b>		12	71800 0	0	0	71800 0	11.3901	71800 0	0	71800 0	11.39 01	0	6.1017	0	0	NA	NA	718000	0	0	0
	Mona Laroia	ACGPL51 31K		15000 0	0	0	15000 0	2.3795	15000 0	0	15000 0	2.379 5	0	2.3795	0	0	NA	NA	150000	0	0	0
	Dhairyashil Narayanarav Chate	AIYPC64 09R		11600 0	0	0	11600 0	1.8402	11600 0	0	11600 0	1.840 2	0	1.8402	0	0	NA	NA	116000	0	0	0
	Lalit Rai	AHHPR08 52R		85000	0	0	85000	1.3484	85000		85000	1.348 4		1.3484	0	0	NA	NA	85000	0	0	0
	Rajesh Kumar	ADUPK4 391D		82000	0	0	82000	1.3008	82000		82000	1.300 8		1.3008	0	0	NA	NA	82000	0	0	0
	Prasenjit Kumar Paul	BEFPP70 34D		70000	0	0	70000	1.1105	70000		70000	1.110 5		1.1105	0	0	NA	NA	70000	0	0	0
(i)	<b>Non Resident Indians (NRIs)</b>		15	47000	0	0	47000	0.7456	47000	0	47000	0.745 6	0	0.7456	0	0	NA	NA	47000	0	0	0
(j)	<b>Foreign Nationals</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
(k)	<b>Foreign Companies</b>		0	0	0	0	0	0	0	0	0	0	0	0	0	0	NA	NA	0	0	0	0
(l)	<b>Bodies Corporate</b>		8	11700 0	0	0	11700 0	1.856	0	0	11700 0	1.856	0	1.856	0	0	NA	NA	117000	0	0	0
(m)	<b>Any Other (Specify)</b>		27	15500 0	0	0	15500 0	2.4589	0	0	15500 0	2.458 9	0	2.4589	0	0	NA	NA	155000	0	0	0
	<b>Body Corp-Ltd Liability Partnership</b>		2	4000	0	0	4000	0.0635	4000	0	4000	0.063 5	0	0.0635	0	0	NA	NA	4000	0	0	0
	<b>Hindu Undivided Family</b>		25	15100 0	0	0	15100 0	2.3954	0	0	15100 0	2.395 4	0	2.3954	0	0	NA	NA	151000	0	0	0
	<b>Sub Total (B)(4)</b>		500	20075 89	0	0	20075 89	31.8476	89	0	20075 89	31.84 76	0	31.8476	0	0	NA	NA	2007589	0	0	0
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)+b(4)</b>		501	21025 89	0	0	21025 89	33.3546	89	0	21025 89	33.35 46	0	33.3546	0	0	NA	NA	2102589	0	0	0

## ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the Bidding, application, payment of Application Amount, Allocation and Allotment of Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and the investors are assumed to have apprised themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisors in this regard. Bidders that apply in the issue will be required to confirm and will be deemed to have represented to our Company, the BRLM and their respective directors, officer, agents affiliate and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Also see "Selling Restrictions" and "Transfer Restrictions" beginning on page 112 and 118 respectively.*

*Our Company, the BRLM and their respective directors, officers, agents, advisors, shareholders, employees, counsel, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.*

### Qualified Institutions Placement

#### **THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.**

This Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act and rules thereunder, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, our Company, being a listed company in India may issue eligible securities to Eligible QIBs provided that certain conditions are met by such Company. Some of these conditions are set out below:

- The shareholders of the issuer have passed a special resolution approving such QIP. Such special resolution must *inter alia* specify that, (a) the allotment of securities is proposed to be made pursuant to the QIP; and (b) the relevant date for the QIP;
- The explanatory statement to the notice to the shareholders for convening the general meeting must disclose, among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;
- Under Regulation 172(1)(b) of the SEBI ICDR Regulations, the equity shares of the same class of such issuer, which are proposed to be allotted through the QIP, are listed on a recognized stock exchange in India having nation-wide trading terminals for a period of at least one year prior to the date of issuance of notice to its shareholders for convening the meeting to seek approval of the shareholders for the abovementioned special resolution;
- Invitation to apply in the QIP must be made through a private placement offer-cum-application form serially numbered and addressed specifically to the Eligible QIBs to whom the QIP is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law; the Issuer shall have completed allotments with respect to any earlier offer or invitation made by the Issuer or shall have withdrawn or abandoned such invitation or offer made by the Issuer, except as permitted under the Companies Act;
- The issuer shall not make any subsequent QIP until the expiry of two weeks from the date of the previous QIP;
- An offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., this Placement Document), the issuer shall prepare and record a list of Eligible QIBs to whom the Issue will be made. The QIP must be made only to such Eligible QIBs whose names are recorded by the issuer prior to the invitation to subscribe;
- The offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the QIP is prohibited;
- In accordance with the SEBI ICDR Regulations, securities will be issued and allotment shall be made only in dematerialized form to the allottees; and
- The promoter and directors of the issuer are not Fugitive Economic Offenders.
- The issuer shall have completed allotments with respect to any offer or invitation made earlier by the issuer or shall have withdrawn or abandoned any invitation or offer previously made by the issuer

At least 10% of the equity shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

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

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The floor price of the equity shares issued under the QIP shall not be less than the average of the weekly high and low of the closing prices of the issuer's equity shares of the same class quoted on the stock exchanges during the two weeks preceding the relevant date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. However, a discount of up to 5% of the floor price is permitted in accordance with the provisions of the SEBI ICDR Regulations. Our Board through its resolution dated August 10, 2024 and our Shareholders through a special resolution on September 12, 2024, have authorized our Board to decide the quantum of discount up to 5% of the Floor Price at the time of determination of the Issue Price.

The Issue Price shall be subject to appropriate adjustments, if our Company makes any alteration to its share capital as mentioned in Regulation 176 (4) of the SEBI ICDR Regulations.

The "relevant date" mentioned above in case of allotment of equity shares, refers to the date of the meeting in which the board of directors or the committee of directors duly authorised by the board of the issuer decides to open the proposed issue and "stock exchange" means any of the recognised stock exchanges in India on which the equity shares of the issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the relevant date.

The securities must be allotted within 365 days from the date of the shareholders' resolution approving the QIP in one or tranches and also within 60 days from the date of receipt of Application Amount from the successful Eligible QIBs. For details of Allotment, see "*Pricing and Allocation – Designated Date and Allotment of Equity Shares*" below.

The Equity Shares issued pursuant to the Issue must be issued on the basis of this Placement Document and the Placement Document that shall contain all material information including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under PAS Rules and Form PAS-4. This Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Placement Document addressed to you, you may not rely on this Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The minimum number of allottees for each QIP shall not be less than:

- two, where the issue size is less than or equal to ₹25,000 Lakhs; and
- five, where the issue size is greater than ₹25,000 Lakhs.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "*Application Form – Bid Process*" on beginning page 141.

Equity Shares being allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognized stock exchange.

We have applied for the in-principle approval of the Stock Exchange under Regulation 28(1) (a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue on the Stock Exchange. We have filed a copy of this Placement Document and will file a copy of the Placement Document with the Stock Exchange.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act and the PAS Rules.

The Issue has been authorized and approved by our Board on August 10, 2024 and our Shareholders through a special resolution passed at the AGM on September 12, 2024.

**Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.**

**The Equity Shares offered hereby have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares offered in this Issue are being offered and sold outside the United States in "offshore transactions" as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.**

**The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold. And Bids may not be made by persons in any such jurisdictions, except in compliance with the applicable laws of such jurisdiction.**

#### Issue Procedure

1. On Bid / Issue Opening Date, our Company in consultation with the BRLM shall circulate serially numbered copies of this Placement Document and the serially numbered Application Form, either in electronic or physical form to Eligible QIBs and the Application Form will be specifically addressed to such Eligible QIBs. In terms of Section 42(3) of the Companies Act, our Company shall maintain complete records of such Eligible QIBs in the form and manner prescribed under the PAS Rules, to whom this Placement Document

and the serially numbered Application Form have been dispatched or circulated, as the case may be. Our Company will make the requisite filings with RoC within the stipulated time period as required under the Companies Act.

2. The list of QIBs to whom the Application Form is delivered shall be determined by our Company in consultation with the BRLM. Unless a serially numbered Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Application Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to subscribe shall be deemed to have been made to such Eligible QIB. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Bid/Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.
  3. Eligible QIBs may submit an Application Form, including any revisions thereof, along with the Application Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter and/or any other documents mentioned in the Application Form, during the Bid/ Issue Period to the BRLM.
  4. Eligible QIBs must note that since our Company is listed on the EMERGE platform of National Stock Exchange i.e. NSE Emerge, our Equity Shares are traded in Lot Size. The present Lot Size is 1,000 Equity Shares and thus the QIBs will be required to make application in Minimum Application Lot Size i.e. of applications for 1,000 Equity Shares and in multiples of 1,000 Equity Shares thereafter.
  5. Bidders will be required to indicate the following in the Application Form:
    - Full official name of the Bidder to whom Equity Shares are to be Allotted, complete address, email id, PAN details (if applicable), phone number and bank account details;
    - number of Equity Shares Bid for/Application size;
    - Price at which they are agreeable to subscribe to the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;
    - An undertaking that they will deliver an off shore transaction letter to our Company prior to any sale of Equity Shares confirming that they will not re-offer, re-sell, pledge or otherwise transfer the Equity Shares, except in an offshore transaction on a recognized Indian stock exchange in compliance with Regulation S under the Securities Act;
    - Details of the beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue;
    - equity shares held by the Bidder in our Company prior to the Issue; and
    - A representation that it is outside the United States and it has agreed to certain other representations set forth in the "Representations by Investors" on page 7 and "Transfer Restrictions" on page 118 and certain other representations made the Application Form.
- NOTE:** Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.*
6. Eligible QIBs shall be required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of **"MCON RASAYAN INDIA LIMITED - QIP ISSUE ACCOUNT"** with the Escrow Agent, within the Bid/Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. No payment shall be made in the Issue by the Bidders in cash. Application Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Until Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchange, whichever is later, Application Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilized only for the purposes permitted under the Companies Act. Notwithstanding the above, in the event (a) Any Bidder is not allocated Equity Shares in the Issue, (b) The number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, (c) The Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) Any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but on or prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in **"Refunds"** on page 104.
  7. Once a duly completed Application Form is submitted by a Bidder and the Application Amount is transferred to the Escrow Account, such application constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case of an upward revision before the Bid/ Issue Closing Date, an additional amount shall be required to be deposited towards the

Application Amount in the Escrow Account along with the submission of such revised Bid. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorized to do so. The Bid/ Issue Closing Date shall be notified to the Stock Exchange and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.

8. The Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, upon Allocation, our Company will be required to disclose the names of proposed Allottees and the percentage of their post Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.
9. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI.
10. Upon receipt of the duly completed Application Form, whether signed or not and the Application Amount in the Escrow Account, on or after the Bid/ Issue Closing Date, our Company shall, in consultation with BRLM determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the BRLM, on behalf of our Company, will send the serially numbered CAN and the Placement Document to the Successful Bidders. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorized to do so. The Issue Closing Date shall be notified to the Stock Exchange and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. **Please note that the Allocation will be at the absolute discretion of our Company and shall be in consultation with the BRLM.**
11. Upon determination of the Issue Price and before Allotment of Equity Shares to the Successful Bidders, the BRLM, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.
12. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchange of the details of the Allotment.
13. After passing the resolution passed by the Board or its committee approving the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchange for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.
14. After receipt of the listing approvals of the Stock Exchange, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.
15. Our Company will then apply for the final trading approvals from the Stock Exchange.
16. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Successful Bidders shall be eligible for trading on the Stock Exchange only upon the receipt of final trading and listing approvals from the Stock Exchange.
17. As per applicable law, the Stock Exchange will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the BRLM shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchange or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchange or our Company.

### Eligible Qualified Institutional Buyers

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Non-Debt Rules will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue (not being excluded pursuant to Regulation 179(2) (b) of the SEBI ICDR Regulations) and also as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations, are set forth below:

- a foreign portfolio investor other than individuals, corporate bodies and family offices, registered with the Board (i.e. Eligible FPI);
- alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds registered with SEBI;

- pension funds with minimum corpus of ₹ 25 Crores;
- provident funds with minimum corpus of ₹ 25 Crores;
- public financial institutions;
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- venture capital funds registered with SEBI; and
- systemically important non-banking financial companies.

*Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

**ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA RULES IN THIS ISSUE. ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF THE FPIS DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCIS ARE NOT PERMITTED TO PARTICIPATE IN THIS ISSUE.**

In terms of the SEBI FPI Regulations, the Equity Shares issued to a single Eligible FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50.00% or common control) should not exceed 10.00% of post-Issue Equity Share capital of our Company. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Further, in terms of the FEMA Rules, the total holding of each FPI or an investor group shall be below 10.00% of the post-issue total paid-up Equity Share capital of our Company on a fully diluted basis.

In case the holding of an FPI including its investor group increases to 10.00% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done, the total investment made by such FPI together with its investor group will be reclassified as FDI as per the procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (a) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. As per the circular issued by SEBI dated November 5, 2019 (circular no. IMD/FPI&C/CIR/P/2019/124), these investment restrictions shall also apply to subscribers of Offshore Derivative Instruments. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Notes. In the event an investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Notes investments held in the underlying company. Further, the aggregate permissible limit of all FPIs investments, with effect from April 1, 2020, is the sectoral cap applicable to the sector in which our Company operates.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed NSDL as the designated depository to monitor the level of FPI/NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 01, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

#### **Restriction on Allotment**

Pursuant to Regulation 179(2) (b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a promoter, or any person related to, the promoter. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the promoter:

- rights under a shareholders' agreement or voting agreement entered into with the promoters or members of the promoter group;
- veto rights; or
- A right to appoint any nominee director on the board of the Issuer.

Provided, however, that an Eligible QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the promoter.

**Our Company, the BRLM and any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender**



offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of under subscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Note: Affiliates or associates of the BRLM who are Eligible QIBs may participate in the Issue in compliance with applicable laws.

## Bid Process

### Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and the BRLM in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Placement Document and the Placement Document. By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Placement Document, the Eligible QIB will be deemed to have made all the following representations and warranties and the representations, warranties and agreements made under "Notice to Investors", "Representations by Investors" and "Selling Restrictions" beginning on pages 4, 7 and 112, respectively:

1. Each Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;
2. Each Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoter(s), either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter(s) or members of the Promoter Group or persons related to the Promoter(s);
3. Each Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoter(s);
4. Each Bidder confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;
5. Each Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Bid / Issue Closing Date;
6. Each Bidder confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than the floor of a recognised Stock Exchange;
7. Each Eligible QIB confirms that the Eligible QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. Each Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Eligible QIB;
8. Each Eligible QIB confirms that its Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations;
9. The Eligible QIB agrees that it will make payment of its Application Amount along with submission of the Application Form within the Issue Period. Each Eligible QIB agrees that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date;
10. The Eligible QIB agrees that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the BRLM. The Eligible QIB further acknowledges and agrees that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;
11. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names as "proposed Allottees" and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and such QIB consents of such disclosure, if any Equity Shares are allocated to it. However, the Eligible QIB further acknowledges and agrees that, disclosure of such details as "proposed Allottees" in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLM;
  - (a) QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other Eligible QIB; and
  - (b) 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

12. The Eligible QIBs acknowledge that no Allocation shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price.
13. Each Eligible QIB confirms that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchange.
14. Each Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.
15. A representation that such Bidder is outside the United States, is acquiring the Equity Shares in an "offshore transaction" under Regulation S and is not an affiliate of the Company or the BRLM or a person acting on behalf of such an affiliate

**ELIGIBLE QIBs MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANTS IDENTIFICATION NUMBER AND ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM, ELIGIBLE QIBs MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.**

**IF SO REQUIRE BY THE BRLM, THE ELIGIBLE QIBs SUBMITTING A BID ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BRLM TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.**

**IF SO REQUIRED BY THE BRLM, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER BID/ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.**

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Application Amount submitted by the Bidder, The Bank Details as mentioned in the Application Form from which the Application Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company (by itself or through the BRLM) in favor of the Successful Bidder.

#### **Submission of Application Form**

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form will include details of the relevant Escrow Account into which the Application Amounts will have to be deposited. The Application Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Book Running Lead Manager either through electronic form or through physical delivery at either of the following addresses:

<b>Name</b>	<b>Address</b>	<b>Contact Person</b>	<b>Email</b>	<b>Phone (telephone)</b>
<b>GYR Capital Advisors Private Limited</b>	428, Gala Empire, Near JB Tower, Drive in Road, Thaltej, Ahemdabad-380 054, Gujarat, India	Mr. Mohit Baid	info@gyrcapitaladvisors.com	+91 8777564648

The BRLM shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

Bidders Bidding in the Issue shall pay the entire Application Amount along with the submission of the Application Form, within the Issue Period.

#### **Payment of Application Amount**

Our Company has opened the Escrow Account in the name of "MCON RASAYAN INDIA LIMITED - QIP ISSUE ACCOUNT" with the Escrow Agent, in terms of the Escrow Agreement entered among our Company, the Book Running Lead Manager and the Escrow Agent. Each Bidder will be required to deposit the Application Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bid/ Issue Period. Bidders can make payment of the Application Amount only through electronic transfer of funds from their own bank account.

**Note: Payments are to be made only through electronic fund transfer. Payments made through cash or cheques are liable to be rejected.**

**Further, if the payment is not made favoring the Escrow Account, the Application Form is liable to be rejected.**

Pending Allotment, our Company undertakes to utilize the amount deposited in "MCON RASAYAN INDIA LIMITED - QIP ISSUE ACCOUNT" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Application Amount in terms of this Placement Document. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "Issue Procedure – Refunds" on page 104.

#### **Permanent Account Number or PAN**

Each Bidder should mention its PAN allotted under the Income Tax Act, 1961 in the Application Form and enclose a copy of the PAN card or PAN allotment letter along with the Application Form, to the extent applicable. Applications without this information will be considered incomplete and are liable to be rejected. Bidders should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground

#### **Bank Account Details**

Each Bidder shall mention the details of the bank account from which the payment of Application Amount has been made along with confirmation that such payment has been made from such account.

#### **Pricing and Allocation**

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. For the purpose of determination of the Floor Price, 'stock exchange' shall mean any of the recognised stock exchanges in which the Equity Shares are listed and in which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. However, our Company may offer a discount of not more than 5% of the Floor Price in accordance with the approval of the Shareholders of our Company accorded through their resolution passed on September 12, 2024 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.

Our Company, in consultation with the BRLM, shall determine the Issue Price, which shall be at or above the Floor Price.

The "Relevant Date" referred to above will be the date of the meeting in which the Board or the committee thereof decides to open the Issue and "stock exchange" means any of the recognized stock exchanges in India on which the Equity Shares of the issuer of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. After finalization of the Issue Price, our Company shall update this Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

#### **Build-up of the Book**

The Bidders shall submit their Bids (including any revision thereof) through the Application Forms within the Bid/ Issue Period to the Book Running Lead Manager. Such Bids cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. The book shall be maintained by the Book Running Lead Manager.

#### **Method of Allocation**

Our Company shall determine the Allocation in consultation with the Book Running Lead Manager on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations. Application Forms received from the Bidders at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Bidders will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price. In case of cancellations or default by the Bidders, our Company in consultation with BRLM has the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

**THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBS. ELIGIBLE QIBS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE BID/ ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BRLM ARE NOT OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.**

#### **CAN**

Based on receipt of the serially numbered Application Forms and Application Amount, our Company, in consultation with the Book Running Lead Manager, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Application Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. The CAN shall also include details of amount to be refunded, if any, to such Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Successful Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in the Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the respective Successful Bidders shall be deemed a valid, binding and irrevocable contract for such Bidders to subscribe to the Equity Shares Allocated to them. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees in consultation with the Book Running Lead Manager.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue. By submitting the Application Form, a Bidder would have deemed to have made the representations and warranties as specified in "Notice to Investors" on page 4 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchange.

### **Designated Date and Allotment of Equity Shares**

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.
2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. However, no transfer of securities in listed companies in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.
3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.
4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchange for listing approvals and post receipt of the listing approvals from the Stock Exchange, our Company shall credit the Equity Shares into the beneficiary accounts of the Allottees.
5. Following the credit of Equity Shares into the respective Allottees' beneficiary accounts, our Company will apply for the final listing and trading approvals from the Stock Exchange.
6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchange for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue under Form PAS-3 with the RoC within the prescribed timelines under the Companies Act.
7. After finalization of the Issue Price, our Company shall update this Placement Document with the Issue details and file it with the Stock Exchange as the Placement Document, which will include names of the proposed Allottees and the percentage of their post-Issue shareholding in the Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchange is required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.

### **Refunds**

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or the Bidder has deposited the Application Amount arrived at using a price higher than the Issue Price or Equity Shares are not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowers or withdraws the Bid prior to the Bid/ Issue Closing Date, any excess Application Amount paid by such Bidder will be refunded to the same bank account from which Application Amount was remitted as set out in the Application Form. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within 60 days from the date of receipt of application monies, our Company shall repay the application monies within 15 days from the expiry of 60 days, failing which our Company shall repay that monies with interest at the rate of 12% p.a. from expiry of the sixtieth day. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, the Depositories Act and other applicable laws.

We, at our sole discretion, reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever. Following the Allotment and credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchange. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

### **Release of Funds to our Company**

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchange for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and the Company files the return of Allotment in connection with the Issue with the RoC, whichever is later.

### **Other Instructions Submission of Documents**

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

#### **Right to Reject Applications**

Our Company, in consultation with the Book Running Lead Manager, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Manager in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Application Amount paid by the Bidder shall be refunded to the same bank account from which the Application Amount was remitted by such Bidder as set out in the Application Form. For details, see "*Issue Procedure*" – "*Refunds*" on page 104.

#### **Equity Shares in dematerialised form with NSDL or CDSL**

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL. The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges. Our Company and the Book Running Lead Manager shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

## PLACEMENT AND LOCK UP

### Placement Agreement

The Book Running Lead Manager has entered into the Placement Agreement dated August 22, 2024 with our Company, pursuant to which the Book Running Lead Manager has agreed, subject to certain conditions, to manage this Issue and to act as placement agents in connection with the proposed Issue and procure subscription to Equity Shares on a reasonable efforts basis.

The Equity Shares will be placed with the Eligible QIBs pursuant to this Issue under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act read with the rules made thereunder. The Placement Agreement contains customary representations and warranties, as well as indemnities from our Company and is subject to satisfaction of certain conditions and termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchange. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

This Placement Document has not been, and will not be, registered as a prospectus with the Registrar of Companies, and no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by the Company outside the United States, in "offshore transactions", as defined in, and in reliance on, Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

### Relationship with the Book Running Lead Manager

In connection with the Issue, the Book Running Lead Manager or its affiliates may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Manager may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Manager may purchase or subscribe to the Equity Shares or be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see the section "*Offshore Derivative Instruments*" beginning on page 10.

From time to time, the Book Running Lead Manager, and its affiliates and associates may have engaged in or may in the future engage in transactions with and perform services including but not limited to investment banking, advisory, commercial banking, trading services for our Company, group companies, affiliates and the Shareholders, as well as to their respective associates and affiliates, pursuant to which fees and commissions have been paid or will be paid to the Book Running Lead Manager and its affiliates and associates.

### Lock up

The Company will not, for a period commencing from the date hereof and ending 60 days from the date of Allotment, without the prior written consent of the Book Running Lead Manager, directly or indirectly: (a) issue, offer, lend, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any equity shares, or any securities convertible into or exercisable or exchangeable for Equity Share; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of equity shares; or (c) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Shares in any depository receipt facility; (d) publicly announce any intention to enter into any transaction described in (a) or (b) above, whether any such transaction described in (a) or (b) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise; provided that, the foregoing restrictions shall not be to be applicable to the (i) the issuance of Equity Shares pursuant to the Issue; and (ii) any transaction required by law or an order of a court of law or a statutory authority.

### Lock-up by Promoters

Our Promoters and members of the Promoter Group agree that without the prior written consent of the Book Running Lead Manager, they shall not, announce any intention to enter into any transaction whether any such transaction which is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, during the period commencing on the date of the Placement Document and ending 60 days from the date of the filing of the Placement Document (both dates inclusive) ("**Lock-up Period**") directly or indirectly: (1) offer, issue, pledge, sell, encumber, contract to sell or announce the intention to sell, lend, purchase any option or contract to sell, grant or sell any option, right, contract or warrant to purchase, lend, make any short sale or otherwise transfer or dispose of any Equity Shares or any other securities of our Company substantially similar to the Equity Shares acquired or purchased during the Lock-Up Period, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Equity Shares or any such substantially similar securities, whether now owned or hereinafter acquired; (2) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of the Equity Shares and the securities that are convertible into, exercisable or exchangeable for or any such substantially similar securities, whether now owned or hereinafter acquired; whether any such transaction described in clause (1) or (2) above is to be settled by delivery of the Equity Shares or such other securities, in cash or otherwise, (3) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares or which carry the right to subscribe for or purchase Equity Shares in any depository receipt facility, or (4) publicly announce its intention to enter into the transactions referred to in (1) to

(3) above.

Further, these provisions will not be applicable for (a) Any Equity Shares acquired by the Promoter during the Lock-up Period, either from the open market or inter-se transfer, shall constitute as its Equity Shares, and shall be subject to the restrictions contained herein (b) any bona fide pledge or non-disposal undertaking of any of the Lock-up Shares held by our Promoter or member of Promoter Group as collateral for loans on normal commercial terms entered or to be entered into in the ordinary course of business of the undersigned, the Company or transfer of any of the Lockup Shares to any third party pursuant to the invocation of any pledge in relation to the Lock-up Shares.

## SELLING RESTRICTIONS

The distribution of this Placement Document and the offer, sale or delivery of the Equity Shares in this Issue may be restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

This Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations and the Companies Act. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "**Notice to Investors**" and "**Representations by Investors**" on pages 4 and 7 respectively.

### General

No action has been taken or will be taken that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made only to Eligible QIBs through a QIP, in compliance with the applicable SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

### Republic of India

This Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

### United States

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in reliance on Regulation S. To help ensure compliance with Regulation S, each purchaser of the Equity Shares offered and sold in "*offshore transactions*" as defined in, and reliance on Regulation S deemed to have made the representations, warranties, acknowledgements and agreements agreed as follows:

- a) the purchaser (i) is, and the person, if any, for whose account it is acquiring such Shares is, outside the United States, and (ii) is acquiring the Shares in an "offshore transaction" as defined in Regulation S;
- b) the purchaser has not been offered the Shares by means of any "directed selling efforts" as defined in Regulation S;
- c) the purchaser is aware that the Shares have not been and will not be registered under the Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, and, subject to certain exceptions, may not be offered or sold within the United States; and
- d) the purchaser acknowledges that our Company, the Book Running Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.

### European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), an offer to the public of any Equity Shares in the Issue may not be made in that Relevant State, except if the Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the "**Prospectus Regulation**"):

- a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Manager and the Syndicate Members for any such offer; or
- c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no such offer of the Equity Shares shall require our Company or any BRLM to publish a prospectus pursuant to article 3 of the Prospectus Regulation or supplement a prospectus pursuant to article 23 of the Prospectus Regulation.

### Hong Kong

The Placement Document has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, the Placement Document has not been, and will not be, registered as "prospectus" in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) ("CO") nor has it been authorised by the Securities and Futures Commission ("SFC") in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) ("SFO"). Recipients are advised to exercise caution in relation to the Issue. If recipients are in any doubt about any of the contents of the Placement Document, they should obtain independent professional advice.

No advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any



rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

The Placement Document does not constitute an offer or invitation to the public in Hong Kong to acquire any Equity Shares nor an advertisement of the Equity Shares in Hong Kong. The Placement Document must not be issued, circulated or distributed in Hong Kong other than:

- a) to "professional investors" within the meaning of the SFO and any rules made under that ordinance ("**Professional Investors**"); or
- b) in other circumstances which do not result in the Placement Document being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Equity Shares will be personal to the person to whom relevant offer documents are delivered, and a subscription for the Equity Shares will only be accepted from such person. No person who has received a copy of the Placement Document may issue, circulate or distribute the Placement Document in Hong Kong or make or give a copy of the Placement Document to any other person.

No person allotted Equity Shares may sell, or offer to sell, such Equity Shares to the public in Hong Kong within six months following the date of issue of such Equity Shares.

### **Japan**

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). The Placement Document is not an offer of shares for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in the Placement Document means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

### **Singapore**

The Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore, and the Equity Shares will be offered pursuant to exemptions under the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**"). Accordingly, the Equity Shares may not be offered or sold or made the subject of an invitation for subscription or purchase nor may the Placement Document or any other document or material in connection with the offer or sale or invitation for subscription or purchase of the Equity Shares be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,
- c) securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:
- d) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- e) where no consideration is or will be given for the transfer
- f) where the transfer is by operation of law
- g) as specified in Section 267(7) of the SFA; or
- h) As specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notification under Sections 309B(1)(a) and 309B(1)(c) of the SFA: We have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment: Notice on Recommendations on Investment Products)

### **United Kingdom**

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares, except that the Equity Shares may be offered to the public in the United Kingdom at any time:

- a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of Book Running Lead Manager for any such offer; or
- c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation;

provided that no such offer of the Shares shall require our Company or any BRLM to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

The Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "**Relevant Persons**"). The Placement Document is directed only at relevant persons. Other persons should not act on the Placement Document or any of its contents. The Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

### **Australia**

This Placement Document is not a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) ("**Corporations Act**") and has not been lodged with the Australian Securities and Investments Commission and it does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act.

No offer will be made under this Placement Document to investors to whom disclosure is required to be made under Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to represent and warrant that it is either a "sophisticated investor" or a "professional investor" and that not it is not a "retail client" within the meaning of those terms in the Corporations Act.

The Equity Shares acquired in the Issue in Australia must not be offered for sale in Australia in the period of 12 months after the date of the Allotment, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under Section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to undertake to our Company that it will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those Equity Shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act.

Neither the BRLM nor any of its affiliates is the holder of Australian Financial Services Licence.

### **Bahrain**

All marketing and offering of the Equity Shares in the Issue has been made and will be made outside the Kingdom of Bahrain. This Placement Document and the Equity Shares that shall be offered pursuant to this Placement Document have not been registered, filed, approved or licensed by the Central Bank of Bahrain ("**CBB**"), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism ("**MOICT**") or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in this Placement Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Placement Document is only intended for Accredited Investors as defined by the CBB and the Equity Shares offered by way of private placement may only be offered in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares is being made and this Placement Document will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Placement Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of the Equity Shares.

### **Kuwait**

This Placement Document has not been licensed for the offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of securities in the State of Kuwait ("**Kuwait Securities Laws**"). Therefore, in accordance with the Kuwait Securities Laws, no private or public offering of the Equity Shares is or will be made in the State of Kuwait, no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

### **Mauritius**

In accordance with The Securities Act 2005 of Mauritius, no offer of the Equity Shares offered in the Issue may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Placement Document has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Placement Document does not constitute a public offering. The Placement Document is for the exclusive use of the person to whom it has been given by the BRLM and is a private concern between the sender and the recipient.

## **New Zealand**

This Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMA Act"). The Equity Shares offered in the Issue may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who: (a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act; (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act; (c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act; (d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or (e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

## **Oman**

This Placement Document does not constitute an offer to sell or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman. This Placement Document is strictly private and confidential and is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient.

This Placement Document has not been approved by the Capital Market Authority of Oman (the "CMA") or any other regulatory body or authority in the Sultanate of Oman ("**Oman**"), nor has the BRLM or any placement agent acting on its behalf received authorisation, licensing or approval from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute the Equity Shares in Oman.

No marketing, offering, selling or distribution of any Equity Shares has been or will be made from within Oman and no subscription for any Equity Shares may or will be consummated within Oman. Neither the BRLM nor any placement agent acting on its behalf is a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking services in Oman. Neither the BRLM nor any placement agent acting on its behalf advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or selling securities or other financial products.

The Equity Shares offered in the Issue have not and will not be listed on any stock exchange in the Sultanate of Oman. Nothing contained in this Placement Document is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This Placement Document is for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

## **Qatar (excluding the Qatar Financial Centre)**

This Placement Document does not, and is not intended to, constitute an invitation or an offer of Equity Shares in the State of Qatar and accordingly should not be construed as such. The Equity Shares offered in the Issue have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this Placement Document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, or any other authority or agency in the State of Qatar; (b) our Company and the BRLM is not authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Issue has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Our Company and the BRLM are not, by distributing this Placement Document, advising individuals resident in the State of Qatar as to the appropriateness of purchasing Equity Shares in the Issue. Nothing contained in this Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

## ***Qatar Financial Centre***

This Placement Document does not, and is not intended to, constitute an invitation or offer of Equity Shares from or within the Qatar Financial Centre ("**QFC**"), and accordingly should not be construed as such. The Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC.

The Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licensed by or registered with any licensing authorities within the QFC.

## **Saudi Arabia**

This Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian

Capital Market Authority ("**CMA**") pursuant to resolution number pursuant to resolution number 3-123-2017 dated December 27, 2017 as amended by resolution number 1-104-2019 dated September 30, 2019, as amended (the "**CMA Regulations**"). The CMA does not make any representation as to the accuracy or completeness of this Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence. If you do not understand the contents of this Placement Document, you should consult an authorised financial adviser.

## South Africa

In South Africa, the offering of the Equity Shares in the Issue will only be made by way of private placement to:

- a) selected persons falling within one of the specified categories listed in section 96(1)(a) of the South African Companies Act of 2008, as amended (the "**South African Companies Act**"); and
- b) selected persons, acting as principal, acquiring Equity Shares for a total acquisition cost of ZAR 1,000,000 or more, as contemplated in section 96(1)(b) of the South African Companies Act, and in each case to whom the offer of the Equity Shares will specifically be addressed, and only by whom the offer will be capable of acceptance (the "**South African Qualifying Investors**"). This Placement Document is being made available only to such South African Qualifying Investors. The information contained in this Placement Document does not constitute, nor form part of, any offer or invitation to sell or issue, an advertisement or any solicitation of any offer or invitation to purchase or subscribe for any Equity Shares or any other securities and is not an "offer to the public" as contemplated in the South African Companies Act.

This Placement Document does not, nor does it intend to, constitute a "registered prospectus" or an "advertisement", as contemplated by the South African Companies Act and no prospectus has been filed with the Companies and Intellectual Property Commission (the "**CIPC**") in respect of the Issue of the Equity Shares. As a result, this Placement Document does not comply with the substance and form requirements for a prospectus set out in the South African Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC.

The information contained in this Placement Document constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act of 2002, as amended (the "**FAIS Act**") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Equity Shares or in relation to the business or future investments of our Company is appropriate to the particular investment objectives, financial situation or needs of a prospective investor, and nothing in this Placement Document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. Our Company is not a financial services provider licensed as such under the FAIS Act.

## South Korea

No securities registration statement in relation to the Solicitations (as defined under Financial Investment Services and Capital Markets Act of the Republic of Korea ("**South Korea**") (the "**FISCMA**") of the Equity Shares offered in the Issue in South Korea has been or will be filed pursuant to the FISCMA. The Solicitations shall only be made (i) to certain professionals as prescribed in the FISCMA and the enforcement decree promulgated thereunder ("**Professional Investors**") and (ii) to no more than 49 persons (excluding any Professional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Furthermore, the Equity Shares may not be offered, sold, transferred or delivered for reoffering or resale, directly or indirectly, in South Korea or to, or for the account or benefit of, any resident (as defined under the Foreign Exchange Transactions Act of South Korea and the decree, rules and regulations promulgated thereunder) thereof for a period of one year from the date of the issuance of the Equity Shares, except as otherwise permitted under applicable South Korean laws and regulations.

## Switzerland

The Equity Shares offered in the Issue may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland. This Placement Document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this Placement Document nor any other offering or marketing material relating to the Equity Shares offered in the Issue may be publicly distributed or otherwise made publicly available in Switzerland. The Equity Shares offered in the Issue shall only be offered to regulated financial intermediaries, such as banks, securities dealers, insurance institutions and fund management companies, as well as institutional investors with professional treasury operations.

Neither this Placement Document nor any other offering or marketing material relating to the offering of the Equity Shares in the Issue have been or will be filed with or approved by any Swiss regulatory authority.

In particular, this Placement Document will not be filed with, and the offer of the Equity Shares offered in the Issue will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA. The offer of the Equity Shares in the Issue has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to purchasers of the Equity Shares offered in the Issue.

This Placement Document is personal to the recipient only and is not for general circulation in Switzerland.

## United Arab Emirates (excluding the Dubai International Financial Centre)

No offering, marketing, promotion, advertising or distribution (collectively, "**Promotion**") of the Placement Document or the Equity Shares may be made in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE.

The Promotion of the Placement Document and the Equity Shares has not been and will not be approved by the SCA and, as such, the Placement Document does not constitute an offer to the general public in the UAE to acquire any Equity Shares. Except where the Promotion of the Placement Document and the Equity Shares is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE, the Promotion of the Placement Document and the Equity Shares in the UAE is being made only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations).

None of the SCA, the Central Bank of the United Arab Emirates or any other regulatory authority in the UAE has reviewed or approved the contents of the Placement Document and nor does any such entity accept any liability for the contents of the Placement Document.

#### ***Dubai International Financial Centre***

The Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an "Exempt Offer" in accordance with the Markets Rules (MKT) (the "**Markets Rules**") adopted by the Dubai Financial Services Authority (the "**DFSA**"); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. The Placement Document must not be delivered to, or relied on by, any other person. The DFSA has not approved the Placement Document nor taken steps to verify the information set out in it, and has no responsibility for it. Capitalised terms not otherwise defined in the Placement Document have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of the Placement Document, you should consult an authorised financial adviser.

#### **Other Jurisdictions**

The distribution of this Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

## TRANSFER RESTRICTIONS

Due to the following restrictions, investors are advised to consult their legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of the Equity Shares.

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares, except on the Stock Exchange, is not permitted for a period of one year from the date of Allotment. In addition to the above, allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see "*Selling Restrictions*" on page 108.

### United States Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Each purchaser of the Equity Shares offered in the Issue shall be deemed to have represented, warranted, agreed and acknowledged as follows:

- It understands that the Equity Shares offered in the Issue have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and are being offered and sold to it in reliance on Regulation S.
- It was outside the United States (within the meaning of Regulation S) at the time the offer of the Equity Shares offered in the Issue was made to it and it was outside the United States (within the meaning of Regulation S) when its buy order for the Equity Shares offered in the Issue was originated.
- It did not purchase the Equity Shares offered in the Issue as a result of any "directed selling efforts" (as defined in Regulation S).
- It is buying the Equity Shares offered in the Issue for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Issue, it agrees that it will not offer, sell, pledge or otherwise transfer the Equity Shares offered in the Issue except in transactions complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.
- Where it is subscribing to the Equity Shares offered in the Issue as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein.
- Where it is subscribing to the Equity Shares offered in the Issue for one or more managed accounts, it represents and warrants that it was authorised in writing by each such managed account to subscribe to the Equity Shares offered in the Issue for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.
- It agrees to indemnify and hold our Company and the Book Running Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Issue.

It acknowledges that our Company, the Book Running Lead Manager, their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements and acknowledgements.

## THE SECURITIES MARKET OF INDIA

Our Company is listed on the NSE's SME platform i.e. "NSE Emerge". The information in this section has been extracted from documents available on the website of SEBI and the NSE and NSE Emerge and has not been prepared or independently verified by our Company, the Lead Manager or any of their respective affiliates or advisors.

### The Indian Securities Market

India has a long history of organised securities trading. In 1875, the first stock exchange was established in Mumbai. The BSE and the NSE together hold a dominant position among the stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

### Stock Exchange Regulations

Indian stock exchanges including NSE Emerge are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, as amended from time to time, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "SECC Regulations"), which regulate inter alia the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum net worth requirements for stock exchanges. The SCRA, the SCRR and the SECC Regulations along with various rules, bye-laws and regulations of the NSE, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchange.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including NSE and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations and guidelines concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

### Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act, and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, to govern the voluntary and compulsory delisting of equity shares from the stock exchanges. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

### Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding at 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Further, where the public shareholding in a listed company falls below 25% (except public sector undertakings) at any time, such company is required to bring the public shareholding to 25% within a maximum period of 12 months from the date of such fall. Consequently, a listed company may be delisted from the stock exchanges for not complying with the above-mentioned requirement. Our Company is in compliance with this minimum public shareholding requirement.

### Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The stock exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the S&P CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise circuit breakers. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

In case the Capital market of the Main board is closed on account of nationwide index circuit filter, or for any other reason, NSE Emerge will also be closed. It will be reopened simultaneously, as and when the Capital market is reopened for trading.

### NSE

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen based trading facilities with

market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. Deliveries for trades executed “on- market” are exchanged through the National Securities Clearing Corporation Limited. It has evolved over the years into its present status as one of the premier stock exchanges of India. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

### **NSE Emerge**

NSE's SME platform “NSE Emerge”, commenced in 2013 offers emerging businesses a new and viable option for raising equity capital from a diversified set of investors in an efficient manner. NSE EMERGE can play the critical role of significantly improving access to equity capital for growing companies. At the same time, NSE Emerge platform provides investors with opportunities to invest in growing SME's.

### **Internet-based Securities Trading and Services**

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the “equities” as well as the “derivatives” segments of the NSE.

### **Trading Hours**

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchange has been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

### **Trading Procedure**

In order to facilitate smooth transactions, NSE has introduced a fully automated trading system called National Exchange for Automated Trading (“NEAT”), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Alternate options are available for trading of the securities of the listed companies. The SME securities can trade either in the normal (continuous) market or have daily liquidity window through a call auction session.

Since our Company is listed on the NSE Emerge, trading of the Equity Shares happen in the minimum contract size of 1000 Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by EMERGE platform of NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 1000 Equity Shares subject to a minimum allotment of 1000 Equity Shares to the successful Applicants.

### **SEBI Listing Regulations**

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management’s discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to, inter alia, continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

### **SEBI Takeover Regulations**

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the SEBI Takeover Regulations, which provides for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company’s shares/ voting rights/ control. The SEBI Takeover Regulations prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The SEBI Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer. Subsequently, the SEBI Takeover Regulations were amended on August 13, 2021 exempting (a) persons, together with persons acting in concert with him, holding shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company; and (b) promoter of the target company, together with persons acting in concert with him, from making continual disclosures in relation to aggregate shareholding and voting rights in the target company. Further, the amendment has also removed certain disclosure obligations for acquirers/promoters, pertaining to acquisition or disposal of shares aggregating to 5% and any change of 2% thereafter, annual shareholding disclosure and creation/invocation/release of encumbrance registered in depository systems under the SEBI Takeover Regulations. These relaxations have been given on account of implementation of the System Driven Disclosures (SDD).

### **SEBI Insider Trading Regulations**

The SEBI Insider Trading Regulations have been notified to prohibit and penalise insider trading in India. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information (“UPSI”).

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, inter alia, impose certain restrictions on the communication of information by listed



companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities listed or proposed to be listed, to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations also provides for disclosure obligations for promoters, members of the promoter group, designated person or director in case value of trade exceed monetary threshold of ₹1 million over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations.

Further, on July 17, 2020, SEBI amended the Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database be maintained, containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details person with whom information is shared.

### **Depositories**

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

## DESCRIPTION OF THE EQUITY SHARES

*The following is information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act. Bidders are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.*

### Share capital

The Authorised Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 1,00,00,000 (One Crore ) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

### Dividends

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of the shareholders at the AGM of shareholders held each financial year. Under the Companies Act, unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions specified under Section 123 of the Companies Act and the rules made thereunder no dividend can be declared or paid by a company for any financial year except (a) out of the profits of the company for that year after providing depreciation, calculated in accordance with the provisions of the Companies Act; or (b) out of the profits of the company for any previous financial year(s) arrived at in accordance with the Companies Act and remaining undistributed; or (c) out of both; or (d) out of money provided by the Central Government or a state Government for payment of dividend by the Company in pursuance of a guarantee given by that Government.

Further, as per the Companies Act, read with the Companies (Declaration and Payment of Dividend) Rules, 2014, in case of the inadequacy or absence of profits in any year, a company may declare dividend out of the accumulated profits earned in previous years and transferred to the free reserves, provided: (a) the rate of dividend declared shall not exceed the average of the rates at which dividend was declared by it in the three years immediately preceding that year; provided, this rule shall not apply to a company, which has not declared any dividend in each of the three preceding financial years; (b) the total amount to be drawn from such accumulated profits shall not exceed one-tenth of the sum of the paid up share capital of the company and free reserves as per its most recent audited financial statements; (c) the amount so drawn shall be first utilised to set off the losses incurred by the company in the financial year in which the dividend is declared before any dividend in respect of equity shares is declared; and (d) the balance of the reserves of our Company after such withdrawal shall not fall below 15% of the company's paid up share capital as per its most recent audited financial statements.

These dividends are required to be deposited into a separate bank account within five days of the declaration of such dividend and paid to shareholders within 30 days of the date of its declaration.

The Articles of Association provide that our Company in its general meeting may declare dividends to be paid to the members according to their shareholding. The dividend shall not exceed the amount recommended by our Board. Further, our Board may from time to time pay the members interim dividend as may appear to them to be justified. No dividend may be paid otherwise than out of the profits of our Company, arrived at in the manner provided under the Companies Act.

The dividends of our Company shall be divisible among the members in proportion of the amount of capital paid up or credited as paid-up on the Equity Shares, held by them for the respective period of the holding of the Equity Shares or both. However, our Board may retain any dividends on which our Company may have a lien and may apply the same towards the satisfaction of the debts or liabilities in respect of which the lien exists. All dividends shall be apportioned and paid on the amounts paid or credited as paid on the Equity Shares during any portion or portions of the period in respect of which the dividend is paid but if any Share is issued on terms providing that it shall rank for dividends as from a particular date, such Share shall rank for dividend accordingly. No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Equity Shares while any money may be due or owing from him to the company and our Board may deduct from the interest or dividend to any member all such sums of money so due from him to our Company. A transfer of Equity Shares shall not pass the right to any dividend declared therein before the registration of the transfer.

The Companies Act states that any dividends that remain unpaid or unclaimed after that period are to be transferred to a special bank account. Any dividend amount (along with interest) that remains unpaid or unclaimed for seven years from the date of such transfer is to be transferred by our Company to a fund, called the Investor Education and Protection Fund, created by the Government. In addition, all shares in respect of which dividend has not been paid or claimed for seven consecutive years, shall be transferred by the Company to the Investor Education and Protection Fund along with a statement containing requisite details.

### Capitalization of reserves and issue of bonus shares

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act permits the board of directors, if so approved by the shareholders in a general meeting, to capitalise its profits or reserves for the purpose of issuing fully paid-up bonus shares, which are similar to stock dividend. The Companies Act permits the issue of fully paid up bonus shares from its free reserves, securities premium account or capital redemption reserve account, provided that bonus shares shall not be issued by capitalising reserves created by revaluation of assets. These bonus Equity Shares must be distributed to shareholders in proportion to the number of Equity Shares owned by them as recommended by the board of directors.

Any issue of bonus shares by a listed company would be subject to the SEBI regulations. The relevant SEBI regulations prescribe that no company shall make a bonus issue of Equity Shares if it has outstanding fully or partly convertible debt instruments at the time of making the bonus issue, unless it has made reservation of the Equity Shares in the same class in favour of the holders of the outstanding convertible debt instruments in proportion to the convertible part thereof and the Equity Shares reserved for the holders of fully or partly convertible debt instruments shall be

issued at the time of conversion of such convertible debt instruments on the same terms or same proportion on which the bonds were issued. Further, for issuance of such bonus shares, a company should not have defaulted in the payment of interest or principal in respect of fixed deposits and interest on existing debentures or principal on redemption of such debentures. The declaration of bonus shares in lieu of a dividend cannot be made. The bonus issuance shall be made out of free reserves built out of genuine profits or share premium collected in cash only. The reserves created by revaluation of fixed assets cannot be capitalised. Further, a company should have sufficient reason to believe that it has not defaulted in respect of the payment of statutory dues of the employees, such as contributions to provident funds, gratuities and/or bonuses.

The Company in General Meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend (or representing premium received on the issue of Equity Shares and standing to the credit of the Shares Premium Account) be capitalized and distributed among such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture-stock and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum, provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article, only be applied in the paying of any unissued shares to be issued to members of the Company as fully paid bonus shares.

### **Pre-emptive Rights and Alteration of Share Capital**

Subject to the provisions of the Companies Act, 2013 our Company may increase its share capital by issuing new shares on such terms and with such rights as it, by approval of our Shareholders in a General Meeting by way of an ordinary resolution, may determine. According to Section 62(1)(a) of the Companies Act, 2013 such new shares shall be offered to existing shareholders in proportion to the paid up share capital on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. After such date or on receipt of earlier intimation from the persons to whom such notice is given that they decline to accept the shares offered, the Board may dispose of the shares offered in respect of which no acceptance has been received in a manner which shall not be disadvantageous to the shareholders of our Company. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person. private placement and public issues shall be undertaken pursuant to Chapter III of the Companies Act, 2013.

Under the provisions of Section 62(1)(c) of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014, new shares may be offered to any persons whether or not those persons include existing shareholders or employees to whom shares are allotted under a scheme of employees stock options, either for cash or for consideration other than cash, if a special resolution to that effect is passed by our Company's shareholders in a general meeting. Our Company may, by a resolution passed in a general meeting, from time to time, increase the share capital by the creation of new Equity Shares of such amount as may be deemed expedient and specified in the resolution. Such increase in the share capital shall be subject to compliance with the provision of the Companies Act, 2013 and of any other laws that may be in force. New Equity Shares shall be issued upon such terms and conditions and with such rights and privileges attached thereto as are consistent with provisions of the Companies Act, 2013 and which the general meeting, resolving upon the creation thereof shall direct and if no direction be given, as our Board shall determine, and in particular such Equity Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of our Company and with a special or without any right of voting, subject to the conditions prescribed under the Companies Act, 2013.

Our Company may by ordinary resolution:

- Increase the share capital by such sum, to be divided into shares of such amount, as it thinks expedient;
- Consolidate and divide all or any its Equity Shares into shares of larger amount than its existing Equity Shares; subject to the applicable approvals under the Companies Act, 2013 for any consolidation and division which results in changes in the voting percentage of members;
- Subdivide its existing Equity Shares or any of them into Equity Shares of smaller amount than is fixed originally by the Memorandum of Association;
- Convert all or any of its fully-paid up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- Cancel any Equity Shares which at the date of the passing of the ordinary resolution, have not been taken or agreed to be taken by any person.

Further, our Company may, from time to time, by special resolution, reduce its share capital or any share premium account in any manner, subject to any incident authorized and consent required by law.

### **General Meetings of Shareholders**

Every year our Company is required to hold an annual general meeting in addition to any other meetings. Further, our Board may, whenever it thinks fit, call an extraordinary general meeting and shall, on the requisition of a number of members who constitute not less than one-tenth of the paid-up capital of our Company, proceed to call an extraordinary general meeting. Not less than 21 days' clear notice in writing of the general meeting is to be given, but shorter notice may be given if consent in writing is accorded by all the members entitled to vote and in case of any other meetings, with the consent of members holding not less than 95 per cent of such part of the paidup Share capital of our Company which gives a right to vote at the meeting. For a meeting of the shareholders, (i) five shareholders present in person, if the number of shareholders as on the date of meeting is not more than 1,000; (ii) 15 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 1,000 but up to 5,000; and (iii) 30 shareholders present in person, if the number of shareholders as on the date of meeting exceeds 5,000, shall constitute a quorum for a general meeting of our Company, whether AGM or EGM. No business is to be transacted at the general meeting unless the requisite quorum is present at the commencement of the same. If the quorum is not present within half an hour of the time appointed for a meeting, the meeting, if convened upon such requisition as aforesaid, shall be dissolved; but in any other case it shall stand adjourned to the same day in the next week at the same time and place. The Articles of Association further provide that no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

The Chairman of our Board shall be entitled to take the chair at every general meeting or, if there is no such chairman, or if at any general meeting he is not present within fifteen minutes after the time appointed for holding such general meeting or is unwilling to act as Chairman, the Directors present shall elect one of them to be the chairman of the meeting. If no Director is present or if all the Directors present decline to take the chair, then the members present shall choose one amongst themselves to be chairman of the general meeting.

A company intending to pass a resolution relating to matters such as, but not limited to, amendments to the objects clause of the Memorandum of Association, a variation of the rights attached to a class of shares or debentures or other securities, buy-backs of shares, giving loans or extending guarantees in excess of limits prescribed, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in our Company's general meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the notice. Postal ballot includes voting by electronic mode.

### **Voting Rights**

Every member present in person shall have one vote on poll and the member present in person or by proxy shall have one vote for each Share of our Company held by him, subject to any rights or restrictions for the time being attached to any class or classes of Equity Shares. The Articles of Association provide that any member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as proxy on his behalf, for that meeting. The manner of giving proxies is provided in detailed in the Articles of Association of the Company.

The instrument appointing a proxy is required to be lodged at the registered office at least 48 hours before the time of the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument or transfer of the Share in respect of which the vote is given provided no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office of our Company before the general meeting. Provided never the less that the chairman of any general meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

No member is entitled to be present or to vote on any question either personally or by proxy or as proxy for another member at any general meeting or upon a poll or to be reckoned in a quorum while any call or other sum payable to our Company in respect of any of the Equity Shares of such member shall remain unpaid, and no member is entitled to be present or to vote at any general meeting in respect of any Equity Share that he has acquired by transfer unless his name is entered as the registered holder of the Equity Share in respect of which he claims to vote, but this shall not affect Equity Shares acquired under a testamentary disposition or by succession to an intestate or under an insolvency or liquidation.

Ordinary resolutions may be passed by simple majority of those present and voting and those voting electronically. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution.

### **Directors**

The Articles of Association provide that the number of Directors shall not be less than three and not be more than fifteen. The Directors shall be appointed by our Company in the general meeting subject to the provisions of the Companies Act, 2013 and the Articles of Association. The Companies Act, 2013 provides that not less than one-thirds of the total number of directors on the board of a company, excluding the independent directors, shall be liable to retire by rotation. One-third of the directors shall automatically retire every year at the annual general meeting and shall be eligible for re-appointment. The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation. The independent directors may be appointed for a maximum of two terms of up to five consecutive years each; however, such directors are eligible for re-appointment after the expiry of three years of ceasing to be an independent director provided that such directors were not, during the three years period, appointed in or associated with the company in any other capacity, either directly or indirectly. Any reappointment of independent directors, inter alia, shall be on the basis of performance evaluation report and requires the approval of the shareholders by way of a special resolution.

Our Board is required to meet at least once every 120 days for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit provided that at least four such meetings shall be held in every year. The quorum for a meeting of our Board is one-third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher. However, where it involves a decision on an affirmative vote item, the quorum is required to include an investor Director.

### **Buy-back**

Our Company may buy back its own Equity Shares or other specified securities subject to the provisions of the Companies Act, 2013 and the related SEBI guidelines issued in connection therewith.

### **Transfer and Transmission of Equity Shares**

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system.

Transfers of beneficial ownership of shares held through a depository are subject to STT (levied on and collected by the stock exchanges on which such equity shares are sold), however, are exempt from stamp duty. Our Company has entered into an agreement for such depository services with NSDL and CDSL.

SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. Our Company shall keep a book in which every transfer or transmission of shares will be entered. Pursuant to the SEBI Listing Regulations, except in case of transmission or transposition of Equity Shares, requests for effecting transfer of Equity Shares shall not be processed unless the Equity Shares are held in dematerialized form with a depository. The Equity Shares shall be freely transferable, subject to applicable laws.

### **Winding up**

If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date: October 03, 2024

To,

The Board of Directors,

**MCON Rasayan India Limited,**

**(“Formerly known as “MCON Rasayan India Private Limited”)**

101/A, 1st floor, Maxheal House, Plot-169,

CTS-104 Bangur Nagar, Goregaon West,

Near Ayyappa Temple, Mumbai- 400090, Maharashtra, India

**GYR Capital Advisors Private Limited**

428, Gala Empire, Near J B Tower

Drive In Road, Thaltej, Ahmedabad

State Name : Gujarat, Code : 380054

(GYR Capital Advisors Private Limited is appointed in relation to the Offer is referred to as the “Book Running Lead Manager” or the “BRLM”)

**Re: Proposed qualified institutional placement of equity shares of face value of Rs. 10 each (the “Equity Shares” and such offering, the “Offer”) of MCON Rasayan India Limited (“Formerly known as MCON Rasayan India Private Limited”)**

We, M/s. Devang Kumar Dand & Associates, statutory auditors to the Company, Firm Registration Number 135250W, hereby confirm that the enclosed **Annexure A** provides the special tax benefits available to the Company and its shareholders identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to [(i) the Income Tax Act, 1961, as amended by the Finance Act, 2024 and read with the rules, circulars and notifications issued in relation thereto; and (ii) applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto].

Several of these stated tax benefits/consequences are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders to derive the tax benefits is dependent on fulfilling such conditions.

The benefits discussed in the enclosed annexure are not exhaustive. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest money based on this statement. These statements do not cover any general tax benefits available to the Company and/or its shareholders and is neither designed nor intended to be a substitute for professional tax advice.

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

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

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

This certificate, including **Annexure A** herein, is for your information and for inclusion in the placement document and placement document and any other material used in connection with the Offer (together the “Offer Documents”) with the Securities and Exchange Board of India (“SEBI”) and stock exchange(s) where the equity shares of the Company are listed (the “Stock Exchanges”).

The aforesaid information contained herein and in **Annexure A** may be relied upon by the Book Running Lead Managers and legal counsels appointed pursuant to the Offer and may be submitted to the stock exchanges, the Securities and Exchange Board of India, and any other regulatory or statutory authority in respect of the Offer and for the records to be maintained by the Book Running Lead Managers.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

We undertake to update you in writing of any changes in the abovementioned position, until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Offer Documents.

Yours faithfully,

For **Devang Kumar Dand & Associates**

Chartered Accountants

(Firm's Registration No. – 135250W)

Sd/-

Devand Kumar Dand

(Partner)

(M. No. 151990

Place: Mumbai

UDIN: 24151990BKDEKR9064

Date: October 03, 2024

Cc:

**Legal Counsel to the Offer**

M/s. Vidhigya Associates,

Advocates,

105, A Wing, Kanara Business Centre,

Ghatkopar East, Mumbai -400 075.

## ANNEXURE TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It 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 Equity 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.

**YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.**

### **Direct Taxation**

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 ('the Act'), as amended by Finance Act, 2024 i.e., applicable for Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force in India.

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of tax of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Company has represented to us that it has opted for section 115BAA for the assessment year 2024-25 onwards.

Apart from this, the Company is not entitled to any special tax benefits under the Act.

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

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

### **Indirect Taxation**

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

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

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

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS**

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

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

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. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to 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 any other person in respect of this statement.



## LEGAL PROCEEDINGS

Our Company may be involved in certain legal proceedings from time to time, which are primarily in the nature of tax disputes and other matters pending before various authorities.

As on date of this Placement Document, except as disclosed below, there are no outstanding litigation, suits, including any tax proceedings or any other claims, disputes, legal or show cause notices, investigations or complaints determined as material in accordance with the Company's 'Policy on disclosure of Material Events and Information' framed in accordance with Regulation 30 of the SEBI Listing Regulations.

Notwithstanding such materiality policy approved by the Board in accordance with the resolution passed by our Board on December 19, 2022, except as disclosed in this section, there are no (i) outstanding criminal proceedings against our Company; (ii) outstanding actions by statutory or regulatory authorities against our Company; (iii) outstanding civil and tax proceedings against our Company, which involve an amount equivalent to or in excess of 5 % of Profit After Tax ("Materiality Threshold"); and (iv) other civil and tax proceedings involving our Company wherein a monetary liability is not determinable or quantifiable, or which does not exceed the Materiality Threshold as specified in (iii) above and which if results in an adverse outcome, would have a material adverse effect on the financial position, business, operations, prospects or reputation of our Company.

Further, as on the date of this Placement Document, except as disclosed below, (i) there is no litigation or legal action pending or taken by any ministry or department of the government or a statutory authority against our Promoters during the last three years immediately preceding the year of this Placement Document and no directions have been issued by such ministry or department of statutory authority upon conclusion of such litigation or legal action; (ii) there are no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 in the last three years immediately preceding the year of this Placement Document for our Company, and no prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document for our Company; (iii) there are no defaults by our Company in the repayment of statutory dues, dues in respect of deposits and interests thereon, or in repayment of any loan obtained from any bank or financial institution and interest thereon, as of the date of this Placement document; (iv) there are no material frauds committed against our Company in the last three years; (v) there are no defaults in annual filings of our Company under the Companies Act, 2013 and the rules made thereunder; (vi) there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; and (vii) there are no reservations, qualifications or adverse remarks of our auditors in their respective reports on our audited financial statements for the last five Fiscals preceding the date of this Placement Document.

It is clarified that for the purposes of the above, pre-litigation notices received by our Company, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in no event be considered as litigation till such time that any of the Company, are impleaded as parties in any such litigation proceedings before any judicial forum and accordingly have not been disclosed in this section. Capitalized terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.

### A. LITIGATION INVOLVING OUR COMPANY

All terms defined in a particular litigation disclosure pertains to that litigation only.

#### I. Litigation involving our Company

A. Litigation filed against our Company

##### 1. Criminal proceedings

Nil

##### 2. Outstanding actions by regulatory and statutory authorities

Nil

##### 3. Material civil proceedings

Nil

B. Litigation filed by our Company

##### 1. Criminal proceedings

#### ***Mcon Rasayn Limited vs Kamal Trading Company and Kiran Rohidas Bhossale – Criminal Case No. 1133/SUM/2022***

Mcon Rasayan Limited ("Complainant") has filed a case, bearing criminal case no. 1133/SUM/2022, before Hon'ble 43<sup>rd</sup> Court of Metropolitan Magistrate at Borivali, Mumbai ("Court"), under section 138 of Negotiable Instruments Act, 1881, against Kamal Trading Company ("Accused 1") and Kiran Rohidas Bhossale ("Accused 2") (Accused 1 and Accused 2 collectively known as "Accused"). The Accused had placed an order for various goods, which were duly supplied and delivered by the Complainant, for which the Complainant raised an invoice for ₹ 4,72,334. The Accused issued a cheque bearing no 187436, in part payment of the invoice, for an amount of ₹ 1,00,000. On depositing the aforesaid cheque, the cheque was returned dishonored by the bankers of the Complainant with reason stating 'Fund Insufficient' in the issuers bank account. The Complainant on multiple occasions has reminded the Accused about the dishonored cheque, yet the Accused failed to take any action towards the same. Hence, the Complainant has filed the present case and prays before the Hon'ble Court to direct the Accused to make payment towards the outstanding amount i.e. ₹ 1,00,000 with interest @ 18% per annum

w.e.f. date of cheque i.e. May 27, 2022, till the payment and actual realization and further to make payment of ₹ 2,00,000 towards court fees, ₹ 15,000 towards notices drafting and filing along with ₹ 2000 per hearing, towards the legal charges (paid/payable to the advocate) and any other relief in similar nature in favor of the Complainant as the Hon'ble Court deems fit. The matter is currently pending. The and the next date of hearing is not yet notified

**Mcon Rasayan Limited vs K. K Infrastructure and Chandan Kumar Shrivastava – Summary Case No. 4301091/2023**

Mcon Rasayan Limited (“**Complainant**”) has filed a case, bearing Summary Case no. 43011091 /2023, before Hon’ble 43<sup>rd</sup> Court of Metropolitan Magistrate at Borivali, Mumbai (“**Court**”), under section 138 r/w 141 of Negotiable Instruments Act, 1881, against K. K Infrastructure Limited (“**Accused 1**”) and Chandan Kumar Shrivastava (“**Accused 2**”) (**Accused 1** and **Accused 2** collectively known as “**Accused**”). The Complainant states that the Accused in part discharge of the liability issued cheque bearing no, 323620 dated February 28, 2023 for a sum of Rs. 1,00,000. On depositing the aforesaid cheque, the cheque was returned dishonoured by the bankers of the Complainant with reason stating ‘*Other reason – Cheque data is not uploaded*’ in the issuers bank account. Aggrieved by the same the Complainant has filed the present Complaint. The matter is currently pending. The next date of hearing is May 8, 2025.

**2. Material civil proceedings**

Nil

**A. Tax proceedings**

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ Lacs)
Direct Tax	5*	2.30
Indirect Tax	1 <sup>#</sup>	33.15
<b>Total</b>	<b>6</b>	<b>35.45</b>

\*Includes TDS outstanding demands amounting to (i) ₹10340 for the Financial Year 2022-23, (ii) ₹ 18370 for the Financial Year 2023-24 and (iii) ₹1020 for the financial year 2024-25. Income Tax Outstanding demands amounting to (i) ₹5820 for the Assessment Year 2022 under section 1431a of IT Act and (ii) ₹1,94,575 for the Assessment Year 2023

<sup>#</sup>Intimation of Liability under Section 73(5) of Goods and Service Tax Act, 2017 amounting to ₹33,14,579

**II. Litigation involving our Directors or Promoters**

As on date of this Placement Document, our Directors or Promoters are not involved in any pending legal proceedings, an adverse outcome of which, would materially and adversely affect the financial position, business, operations, prospects, or reputation of the Company.

**III. Litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years**

There are no litigation or legal actions pending or taken by any ministry or department of the government or any statutory authority and there are no directions issued by such ministry or department of the government or statutory authority upon conclusion of such litigation or legal action against our Promoters during the last three years immediately preceding the year of the issue of this Placement Document

**IV. Inquiries, inspections, or investigations under the Companies Act initiated or conducted in the last three years**

There have been no inquiries, inspections or investigations initiated or conducted against our Company under the Companies Act in the last three years immediately preceding the year of issue of this Placement Document, nor have there been any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document involving our Company.

**V. Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company**

There have been no material frauds committed against our Company in the last three years preceding the date of this Placement Document.

**VI. Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of undisputed statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon**

As on the date of this Placement Document, our Company has no outstanding defaults in repayment of undisputed statutory dues, dues payable to holders of any debentures and interest thereon, deposits and interest thereon and loans and interest thereon from any bank or financial institution.

**VII. Details of defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder**

As on the date of this Placement Document, our Company has not made any default in annual filings of our Company under the Companies Act, 2013 and the rules made thereunder.

***VIII. Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations***

There are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

***IX. Reservations, qualifications, or adverse remarks of auditors in the last five Fiscals immediately preceding the year of issue of this Placement Document and their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks***

There are no reservations, qualifications, or adverse remarks of the Statutory Auditor in their report on audited financial statements for last five Fiscals preceding the date of this Placement Document

## **INDEPENDENT AUDITORS**

M/s Devang Kumar Dand & Associates, Chartered Accountants, are the current independent Statutory Auditors with respect to our Company as required by the Companies Act, 2013 and in accordance with the guidelines prescribed by ICAI. M/s Devang Kumar Dand & Associates, Chartered Accountants, have been appointed as the Statutory Auditors of our Company for a term of 5 years on 30th November, 2021, i.e. from 01.04.2021 to 31.03.2026 till the conclusion of the Annual General Meeting to be held in the year 2026.

The Audited Financial Statements of our Company as of Financial Year ending March 31, 2024, March 31, 2023 and March 31, 2022 included in this Placement Document, have been audited and limited reviewed by M/s Devang Kumar Dand & Associates, Chartered Accountants, as stated in their report included in this Placement Document in "Financial Statements" on page 135 of this Placement Document.

## GENERAL INFORMATION

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

Our Registered Office is located at 101/A, 1st floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Near Ayyappa Temple, Goregaon (West), Mumbai 400 090, Maharashtra, India.

### Changes in the address of registered office

Date of change	Shifted from	Shifted to
June 06, 2022	Gala No. 6, Bardanwala Estate, Opp. Malkani Tower, Near Dutt Mandir, Bandiwali Hill Road, Jogeshwari, Mumbai, Maharashtra- 400102, India	101/A, 1st floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Goregaon-West, Near Ayyappa Temple, Mumbai, Maharashtra-400090, India.

Our Company’s Corporate Identity Number is L24304MH2016PLC286140.

The website of our Company is <https://mconrasayan.com>

1. The Equity Shares are listed on Emerge Platform of NSE (“NSE EMERGE”) since March 20<sup>th</sup>, 2023.
2. The Issue was authorized and approved by our Board of Directors on August 10, 2024. Our Shareholders have approved the Issue by way of a special resolution through AGM dated September 12, 2024.
3. Our Company has received in-principle approvals in terms of Regulation 28(1) of the SEBI Listing Regulations from NSE on November 07, 2024 to list the Equity Shares issued pursuant to the Issue on the Stock Exchange. We will apply for final listing and trading approvals of the Equity Shares to be issued pursuant to the Issue on the Stock Exchange after Allotment of the Equity Shares in the Issue.
4. Copies of our Memorandum and Articles of Association will be available for inspection between 10:00 am to 05:00 pm on all working days, (except Saturdays and public holidays) during the Bid/ Issue Period at our Registered Office.
5. Except as disclosed in this Placement Document, there has been no material adverse change in our financial or trading position since March 20, 2023, which has been included in this Placement Document.
6. The Floor Price is ₹ 165.19 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176(1) of the SEBI ICDR Regulations.
7. Our Company confirms that it is in compliance with the minimum public shareholding requirements as specified in the SCRR.
8. Our Company has obtained necessary consents, approvals and authorizations as may be required in connection with the Issue.
9. Except as disclosed in this Placement Document, there are no material litigation or arbitration proceedings against or affecting our Company, or its assets or revenues, nor is our Company aware of any pending or threatened legal or arbitration proceedings, which are or might be material in the context of this Issue or could have a material adverse effect on the position, business, operations, prospects or reputation of our Company. For further details, see “*Legal Proceedings*” on page 129.
10. The Company and the BRLM accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including our website, would be doing it at his or her own risk.
11. Details of the Company Secretary and Compliance Officer of our Company:

**Mrs. Aesha Karan Shah**  
**MCON Rasayan India Limited**  
 101/A, 1<sup>st</sup> floor, Maxheal House,  
 Plot-169, CTS-104

Bangur Nagar, Near Ayyappa Temple,  
Goregaon (West), Mumbai 400 090,  
Maharashtra, India.  
Telephone No.: +91 8655988698  
**E-mail:** [compliance@mconrasayan.com](mailto:compliance@mconrasayan.com)

**FINANCIAL STATEMENTS**

<b>Financial Statements</b>	<b>Page Nos.</b>
Fiscal 2024 Audited Financial Statements	F-1 to F-46
Fiscal 2023 Audited Financial Statements	F-47 to F-91
Fiscal 2022 Audited Financial Statements	F-92 – F-127

### ALLOTTEES IN THE ISSUE

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Manager to Eligible QIBs only, on a discretionary basis.

The names of the Allottees and the percentage of post-Issue share capital that may be held by them is set forth below. These details of the Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, will be included in the Placement Document to be sent to such Allottees.

S. No.	Name of the Allottees	Percentage of the post-Issue share capital held (%) <sup>^*</sup>
1.	SAINT CAPITAL FUND	0.86
2.	MATTERHORN INDIA FUND	0.44
3.	KNIGHTSTONE CAPITAL LLP	0.44
4.	HDFC BANK LIMITED	1.73
5.	FINAVENUE CAPITAL TRUST - FINAVENUE GROWTH FUND	0.87
6.	PARADISE MOON INVESTMENT FUND I	1.73
7.	ANTARA INDIA EVERGREEN FUND LTD	1.37
8.	MONEYWISE FINANCIAL SERVICES PVT. LTD. MFSPL	1.52
9.	VIKASA INDIA EIF I FUND - INCUBE GLOBAL OPPORTUNITIES	1.73
10.	ARROW EMERGING OPPORTUNITIES FUND LIMITED	0.87
11.	VELOCE AIF- VELOCE OPPORTUNITIES FUND	0.87
12.	TATTVAM AIF TRUST	0.87
13.	SWYOM INDIA ALPHA FUND	0.44
14.	RAJASTHAN GLOBAL SECURITIES PRIVATE LIMITED	0.44
15.	MAVIRA GROWTH OPPORTUNITIES FUND	0.44
	<b>TOTAL</b>	<b>14.63</b>

<sup>^</sup> Based on beneficiary position as on November 11, 2024.



## DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all material approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Placement Document are true and correct.

**Signed on behalf of Board of Directors:**

Sd/-  
**Mr. Mahesh Ravji Bhanushali**  
**Managing Director**  
**DIN: 07585072**

**Date: November 07, 2024**  
**Place: Mumbai**

We, the Board of Directors of the Company certify that:

- I. the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- II. the compliance with the Companies Act, 2013 and the rules thereunder, does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and
- III. the monies received under the Issue shall be used only for the purposes and objects indicated in the Placement Document (which includes disclosures prescribed under Form PAS-4).

**SIGNED ON BEHALF OF THE BOARD OF DIRECTORS**

**Signed by:**

Sd/-  
**Mr. Mahesh Ravji Bhanushali**  
**Managing Director**  
**DIN: 07585072**

**Date:** November 07, 2024

**Place:** Mumbai

I am authorized by the Board of Directors of the Company, *vide* resolution dated August 10, 2024 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

**Signed by:**

Sd/-  
**Mr. Mahesh Ravji Bhanushali**  
**Managing Director**  
**DIN: 07585072**

**Date:** November 07, 2024

**Place:** Mumbai

## ISSUER

### **MCON Rasayan India Limited**

**Registered Office:** 101/A, 1st floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Near Ayyappa Temple, Goregaon (West), Mumbai 400 090, Maharashtra, India.

**Corporate Office:** Gala No. 6, Baradanwala Estate, Bandivali Hill Road, Jogeshwari West, Mumbai 400 102, Maharashtra, India.

**Telephone:** +91 8655988698

**CIN:** L24304MH2016PLC286140

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

**Contact Person:** Mrs. Aesha Karan Shah, Company Secretary and Compliance Officer

### **BOOK RUNNING LEAD MANAGER**

#### **GYR Capital Advisors Private Limited**

**Address:** 428, Gala Empire, Near JB Tower,

Drive in Road, Thaltej,

Ahmedabad-380 054,

Gujarat, India

**Telephone:** +91 8777564648

**Email:** [info@gyrcapitaladvisors.com](mailto:info@gyrcapitaladvisors.com)

**Contact Person:** Mr. Mohit Baid

### **LEGAL COUNSEL TO THE COMPANY**

#### **M/s. Vidhigya Associates, Advocates**

501, 5th Floor, Jeevan Sahakar Building Sir P M Road, Homji Street Fort, Mumbai - 400 001

Tel: +91 8424030160

**Email:** [rahul@vidhigyaassociates.com](mailto:rahul@vidhigyaassociates.com)


**Contact Person:** Rahul Pandey

### **AUDITORS TO OUR COMPANY**

#### **Devang Kumar Dand & Associates, Chartered Accountants**

L-57/58, Dreams The Mall, LBS Marg, Bhandup (West) – 400078 Mumba.

**SAMPLE APPLICATION FORM**

<b>MCON RASAYAN INDIA LIMITED</b>  <i>(Incorporated in the Republic of India as a company with limited liability under the Indian Companies Act, 2013)</i>  <b>Registered Office:</b> 101/A, 1st floor, Maxheal House, Plot-169, CTS-104 Bangur Nagar, Goregaon West, Near Ayyappa Temple, Mumbai- 400090, Maharashtra, India. <b>CIN:</b> L24304MH2016PLC286140 <b>Website:</b> <a href="http://www.mconrasayan.com">www.mconrasayan.com</a> <b>Tel:</b> +91 86559 88698 <b>E-mail:</b> <a href="mailto:compliance@mconrasayan.com">compliance@mconrasayan.com</a>	<b>APPLICATION FORM</b>          <b>Name of the Bidder</b> <b>Form. No.</b> <b>Date:</b>
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**QUALIFIED INSTITUTIONS PLACEMENT OF 10,19,000 EQUITY SHARES OF FACE VALUE ₹10 EACH (THE "EQUITY SHARES") FOR CASH, AT A PRICE OF ₹157 PER EQUITY SHARE (THE "ISSUE PRICE"), INCLUDING A PREMIUM OF ₹147 PER EQUITY SHARE, AGGREGATING TO ₹1599.83 LAKHS IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT"), READ WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY THE MCON RASAYAN INDIA LIMITED (THE "COMPANY" OR THE "ISSUER", AND SUCH ISSUE, THE "ISSUE"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS RS. 165.19 AND OUR COMPANY MAY OFFER A DISCOUNT OF UP TO 5% ON THE FLOOR PRICE, AS APPROVED BY THE SHAREHOLDERS.**

**Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; or (b) restricted from participating in the Issue under the SEBI Regulations and other applicable laws, including foreign exchange related laws; are eligible to submit this Application Form ("Eligible QIBs"). In addition to the above, with respect to the Issue, Eligible QIBs shall consist of (i) QIBs which are resident in India; and (ii) Eligible FPIs participating through Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. Further, foreign venture capital investors, as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, are not permitted to participate in the Issue. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws of the United States and, unless so registered, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales made.**

**ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE THROUGH SCHEDULE II OF THE FEMA RULES, IN THIS ISSUE, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. ALLOTMENTS MADE TO AIFs AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING, THE FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.**

STATUS (Insert '✓' for applicable category)			
<b>FI</b>	Scheduled Commercial Banks and Financial Institutions	<b>IC</b>	Insurance Companies
<b>MF</b>	Mutual Funds	<b>VCF</b>	Venture Capital Funds
<b>NIF</b>	National Investment Fund	<b>FPI</b>	Foreign Portfolio Investor*
<b>IF</b>	Insurance Funds	<b>AIF</b>	Alternative Investment Fund**
<b>SI- NBFC</b>	Systemically Important Non-Banking Financial Companies	<b>OTH</b>	Others _____ (Please specify)

Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "same group" or "common control", see "Application Form" under Issue Procedure section of the PPD.

\*Foreign portfolio investors as defined under the Securities and Exchange

Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue

\*\* Sponsor and Manager should be Indian owned and controlled

To,  
**The Board of Directors**  
**MCON Rasayan India Limited**  
101/A, 1st floor, Maxheal House, Plot-169,  
CTS-104 Bangur Nagar,  
Goregaon West, Near Ayyappa Temple,  
Mumbai- 400090, Maharashtra, India.

Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, on the terms and price indicated below. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoters of the Company, directly or indirectly. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoters or persons related to promoter of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules. We confirm that we are not an FVCI. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations"). We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the Placement Document and this Application Form. We confirm that, in relation to our application, each Eligible FPIs, have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of Equity Shares to be Allotted under each such scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Board of Directors of the Company, or any duly authorized committee thereof, is entitled, in consultation with GYR Capital Advisors Private Limited ("Lead Manager"), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We further understand, agree and consent that (i) our names, address, contact details, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Book Running Lead Managers; and; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Mumbai (the "RoC") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of National Stock Exchange of India Limited, and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

By submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections "Notice to Investors", "Representations by Investors", "Issue Procedure", "Selling Restrictions" and "Transfer Restrictions and Purchaser Representations" sections of the PPD are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLM, each of which is entitled to rely on and is relying on these representations and warranties in consummating the Issue.

By signing and submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section "Risk Factors" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLM or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the CAN and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company in consultation with the BRLM and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLM; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue.

For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations i.e. entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, amongst the Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

We acknowledge that the Equity Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. By submitting this Application Form and checking the applicable box above, we hereby represent that we are located outside the United States and purchasing the Equity Shares in an offshore transaction in reliance on Regulations of the Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

By submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

<b>BIDDER DETAILS (In Block Letters)</b>	
<b>NAME OF BIDDER*</b>	
<b>NATIONALITY</b>	
<b>REGISTERED ADDRESS</b>	
<b>CITY AND CODE</b>	
<b>COUNTRY</b>	
<b>MOBILE NO.</b>	
<b>PHONE NO.</b>	<b>FAX NO.</b>
<b>EMAIL ID</b>	
<b>FOR ELIGIBLE FPIs**</b>	SEBI FPI REGISTRATION NO.
<b>FOR MF</b>	SEBI MF REGISTRATION NO
<b>FOR AIFs***</b>	SEBI AIF REGISTRATION NO.
<b>FOR VCFs***</b>	SEBI VCF REGISTRATION NO.
<b>FOR SI-NBFC</b>	RBI REGISTRATION DETAILS
<b>FOR INSURANCE COMPANIES</b>	IRDAI REGISTRATION DETAILS.
<p><i>*Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the BRLM.</i></p> <p><i>** In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention</i></p>	

your SEBI FPI Registration Number.

\*\*\* Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under PAS-4 of the PAS Rules. For such information, the BRLM have relied on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

DEPOSITORY ACCOUNT DETAILS												
Depository Name	National Securities Depository Limited				Central Depository Services (India) Limited							
Depository Participant Name												
DP – ID	I	N										
Beneficiary Account Number	(16-digit beneficiary A/c. No. to be mentioned above)											

The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purposes of refund, if any, only the bank details as mentioned below, from which the Bid Amount has been remitted for the Equity Shares applied for in the Issue will be considered.

PAYMENT DETAILS
<b>REMITTANCE BY WAY OF ELECTRONIC FUND</b>
<b>By 3:30 p.m. (IST), NOVEMBER 11, 2024 (ISSUE CLOSING DATE)</b>

BANK ACCOUNT DETAILS FOR PAYMENT OF BID AMOUNT THROUGH ELECTRONIC FUND TRANSFER			
Name of the Account	MCON RASAYAN INDIA LIMITED-QIP ISSUE ACCOUNT	Account Type	QIP ESCROW ACCOUNT
Name of Bank	AXIS BANK LIMITED	Address of the Branch of the Bank	Daman Branch Ground floor beside Sagar petroleum opposite police colony Nani Daman Dadra and Nagar Haveli and daman and Diu 396210
Account No.	924020057813157	IFSC	UTIB0000380
Tel No.	+91 89808 03801	E-mail	daman.branchhead@axisbank.com

The Bid Amount should be transferred pursuant to the Application Form only by way of electronic fund transfers, towards the Escrow Account. Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Issue Period i.e. prior to or on the Issue Closing Date. All payments must be made in favor of "MCON Rasayan India Limited-QIP Issue Account ". The payment for subscription to the Equity Shares to be allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	

NO. OF EQUITY SHARES BID FOR/APPLICATION LOT SIZE		PRICE PER EQUITY SHARE (RUPEES)	
(In Figures)	(In Words)	(In Figures)	(In Words)
BID AMOUNT (RUPEES)			
(In Figures)		(In Words)	

DETAILS OF CONTACT PERSON	
Name	
Address:	
Tel. No:	Fax No:
Email:	

OTHER DETAILS	ENCLOSURES TO BE SUBMITTED*
PAN*	<input type="checkbox"/> Copy of the PAN Card or PAN allotment letter**
Date of Application	<input type="checkbox"/> FIRC
Signature of Authorized Signatory (may be	<input type="checkbox"/> Copy of the SEBI registration certificate as a Mutual



OTHER DETAILS		ENCLOSURES TO BE SUBMITTED*
signed either physically or digitally)		Fund
		<input type="checkbox"/> Copy of the SEBI registration certificate as an Eligible FPI
		<input type="checkbox"/> Copy of the SEBI registration certificate as an AIF
		<input type="checkbox"/> Copy of the SEBI registration certificate as a VCF
		<input type="checkbox"/> Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank
		<input type="checkbox"/> Copy of notification as a public financial institution
		<input type="checkbox"/> Copy of the IRDAI registration certificate
		<input type="checkbox"/> Certified true copy of power of attorney
		<input type="checkbox"/> Others, please specify _____

\*A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practicable.

\*\*Please note that the Bidder should not mention the GIR number or any other identification number instead of the PAN, unless the Bidder is exempted from requirement of obtaining a PAN under the Income-tax Act, 1961, as the application is liable to be rejected on this ground.

**Note 1:** Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and Placement Document.

**Note 2:** The Application Form may be rejected if any information provided is incomplete or inadequate, at the discretion of the Company in consultation with the BRLM.

**Note 3:** The duly filed Application Form along with all enclosures shall be submitted to the Book Running Lead Manager either through electronic form at the email mentioned in the PPD or through physical deliver at the address mentioned in PPD.

The Application Form and the PPD sent to you and the Placement Document which will be sent to you in electronic form, are specific to you and you may not distribute or forward the same and are subject to the disclaimers and restrictions contained or accompanying these documents.