

This is an abridged prospectus containing salient features of the Red Herring Prospectus dated July 23, 2025 (the “RHP”). You are encouraged to read greater details available in the RHP (Download link: <https://mehulcolours.com/investors/>). Unless otherwise specified all capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

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



(Please scan this QR Code to view the RHP)



**MEHUL COLOURS LIMITED**  
(Formerly known as Mehul Colours and Masterbatches Limited)  
CIN: U25209MH1995PLC095225: Date of Incorporation: December 12, 1995

Registered Office	Contact Person	Email and Telephone	Website
Unit No - A 305,306, Kemp Plaza, Link Road, Chincholi Bunder Road, Mind Space, Near Evershine Mall, Malad West, Mumbai, Maharashtra, India, 400064.	<b>Shilpa Karan Mehta</b> Company Secretary & Compliance Officer	<b>E-mail:</b> <a href="mailto:info@mehulcolours.com">info@mehulcolours.com</a> <b>Tel No:</b> +91-22-2872 3555 / 2872 7874	<a href="https://www.mehulcolours.com/">https://www.mehulcolours.com/</a>

<b>Promoters of the Company</b>	<b>Mehul Pravinchandra Joshi and Bhakti Mehul Joshi</b>
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#### Details of Offer to Public

Type of Issue (Fresh/ OFS/ Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in ₹)	OFS Size (by no. of shares or by amount in ₹)	Total Issue Size (by no. of shares or by amount in ₹)	Issue Under 6(1)/ 6(2)	Share Reservation			
					QIB	NII	Individual Investors	Market Maker
Fresh Issue	Upto 30,08,000 Equity Shares	Nil	Upto 30,08,000 Equity Shares	This Issue is being made in terms of regulation 229(2) and 253(1) of chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.	Not more than 14,25,600 Equity Shares	Not less than 4,28,800 Equity Shares	Not less than 10,01,600 Equity Shares	Up to 1,52,000 Equity Shares

These equity shares are proposed to be listed on BSE SME (i.e. SME Platform of BSE)

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

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

Price Band, Minimum Bid Lot & Indicative Timelines	
<b>Price Band*</b>	For details of price band, minimum bid lot size, please refer to price band advertisement to be published in all editions of English National Newspaper “Financial Express”, all editions of Hindi National Newspaper “Jansatta” and Marathi edition of “Pratahakal”
<b>Minimum Bid Lot Size</b>	
<b>Anchor Portion Issue Opens/Closes on**</b>	Tuesday, July 29, 2025
<b>Bid/Issue Open On</b>	Wednesday, July 30, 2025
<b>Bid/Issue Closes On</b>	Friday, August 01, 2025
<b>Finalization of Basis of Allotment (T+1)</b>	Monday, August 04, 2025
<b>Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI Id Linked Bank account*(T+2)</b>	Tuesday, August 05, 2025
<b>Credit of Equity Shares to Demat accounts of Allottees (T+2)</b>	Tuesday, August 05, 2025
<b>Commencement of Trading of the Equity Shares on the Stock Exchange(T+3)</b>	Wednesday, August 06, 2025

\*For details of price band and basis of issue price, please refer to price band advertisement and chapter titled “Basis for Issue Price” beginning on page 92 of the RHP.

\*\*Our Company, in consultation with the BRLM, will consider participation by Anchor Investors in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date i.e. Tuesday, July 29, 2025.

The Weighted average cost of acquisition of all Equity Shares transacted over the trailing eighteen months from the date of RHP

Period	Weighted Average Cost of Acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in ₹)
Last one year	1.52	47.36	Nil*-48**
Last eighteen months	1.52	47.36	Nil*-48**
Last three years	1.48	48.64	Nil*-48**

\*Nil represents the acquisition on account of the bonus issue of 72,51,000 Equity shares allotted on October 24, 2024.

\*\* On July 02, 2025, Mr. Mehul Pravinchandra Joshi, Promoter of the Company, sold 2,37,000 equity shares for a total consideration of ₹ 1,13,76,000 at a price of ₹ 48.

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

#### RISKS IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹ 10/- per equity share. The Floor Price, Cap Price and Offer Price determined by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “**Basis for Issue Price**” beginning on page 92 of the RHP should not be considered to be indicative of the market price of the Equity Shares after listing. No assurance can be given regarding frequency of trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

#### GENERAL RISK

Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does, SEBI guarantee the accuracy or adequacy of the contents of the RHP. Specified attention of the investors is invited to the section titled “**Risk Factors**” beginning on page 26 of the Red Herring Prospectus and on page 08 of this Abridged Prospectus.

#### PROCEDURE

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

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLM’s or download it from the website of the Stock Exchange i.e. [www.bseindia.com](http://www.bseindia.com) and the BRLM at [www.serencapital.in](http://www.serencapital.in)

#### TRACK RECORD OF BRLM

Sr. No.	Issuer Name	Name of Merchant banker	+/- % change in Price on closing price, [ +/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*	+/- % change in Price on closing price, [ +/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*	+/- % change in Price on closing price, [ +/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*
1.	Patil Automation Limited	Seren Capital Private Limited	+86.92% [+0.49%]	NA	NA

Source: Price Information - [www.nseindia.com](http://www.nseindia.com). Offer Information from respective Prospectus.

‘Name of BRLM and contact details (telephone and email id) of each BRLM	<b>Seren Capital Private Limited</b> Office no. 601 to 605, Raylon Arcade, Kondivita, J.B. Nagar, Mumbai, Maharashtra – 400059 <b>Tel No:</b> +91-22-46011058 <b>Email:</b> <a href="mailto:info@serencapital.in">info@serencapital.in</a> <b>Contact Person:</b> Ankit Maheshwari/Tripti Pathani
Name of Syndicate Members	Asnani Share Broker Private Limited
Name of Market Maker	Asnani Share Broker Private Limited

Name of Registrar to the Issue and contact details (telephone and email id)	<b>Bigshare Services Private Limited</b> Address: S6-2, 6 <sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road Andheri (East), Mumbai – 400093, India <b>Contact Person:</b> Vinayak Morbale <b>Tel:</b> +91 22 6263 8200 <b>Email:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Investor grievance e-mail:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>SEBI Registration No.:</b> INR000001385
Name of Statutory Auditor	YMS & Co., LLP, Chartered Accountants, FRN: 143858W/W100859
Name of Credit Rating Agency and the rating or grading obtained, if any	Not Applicable
Name of Debenture trustee, if any.	Not Applicable
Self-Certified Syndicate Banks	The list of banks is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Non-Syndicate Registered Brokers	You can submit Bid cum Application Forms in the Issue to Non Syndicate Registered Brokers at the Non Syndicate Broker Centres. For further details, see section titled “Issue Procedure” beginning at page 256 of the RHP
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)	<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>

#### PROMOTER OF THE ISSUER COMPANY

Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1.	Mehul Pravinchandra Joshi	Individual	Mr. Mehul Pravinchandra Joshi, is the Promoter, Chairman and Managing Director of our Company and has been on the Board since 2001. He holds a Bachelor of Commerce degree from the University of Mumbai (1997) and a Diploma in Plastic Engineering from Shri Bhagubhai Mafatlal Polytechnic, Maharashtra (1998). With over 25 years of experience in the Pigment & Dyes industry, he has expertise in the manufacturing of colour concentrates, both using conventional and universal carrier systems. Currently, he oversees the strategic business planning, operations and administrative functions within the Company and managing overall business operations.
2.	Bhakti Mehul Joshi	Individual	Bhakti Mehul Joshi is the Promoter and Whole Time Director of our Company. She completed her Bachelor of Commerce from the University of Mumbai in 2003 and has been serving on the Company's Board since 2009. She is primarily responsible for overseeing the finance operations of the Company and possess 15 years of experience in the finance field.

#### BUSINESS OVERVIEW AND STRATEGY

**Company Overview:** Incorporated in 1995, our company is primarily engaged in the manufacturing of masterbatches, which are used in the plastics industry to impart colour and enhance the functional properties of plastic products. Masterbatches are concentrated mixtures of pigments and additives that are uniformly dispersed in polymer carriers, facilitating the effective integration of colour and performance-enhancing properties into plastic products. During plastic processing, masterbatches enable the uniform dispersion of pigments within the plastic resin, ensuring consistent colour distribution throughout the final plastic product without uneven patches or variations. They are also used to enhance visual appearance and impart specific properties to plastic materials such as UV resistance, flame retardancy and anti-static behaviour.

In Fiscal 2025, we supplied our masterbatches to over 500+ customers spanning a broad array of industries, including stationery, plastic household products, plastic toys, agricultural tools, pipes and fittings, packaging materials, wires & cables, electrical switches & accessories, sheets and various other plastic products.

**Product offerings:** Our product line includes Pigments, colour masterbatches, additive masterbatches, special effect masterbatches and filler masterbatches to meet specific functional and aesthetic needs in plastic manufacturing. Colour masterbatches ensure uniform and consistent colouration across plastic products. Additive masterbatches enhance the durability, functionality and processability of plastics by imparting essential properties such as UV protection, slip resistance, tackiness, flame retardancy, impact strength and improved extrusion capabilities. These include UV Stabilizers, Slip/Anti-block agents, PIB Masterbatch, Flame Retardants, Impact Modifiers and PPA Masterbatch. Special effect masterbatches, offering finishes like pearl, metallic, sparkle, glitter, fluorescent and wood effects, alter the visual and tactile characteristics of plastics. Filler masterbatches, primarily composed of calcium carbonate (CaCO<sub>3</sub>), talc, or other mineral fillers, are used to enhance rigidity and processing efficiency.

Product-wise revenue bifurcation:

(₹ in Lakhs, unless otherwise stated)

Product categories	F.Y. 2024-25	% of revenue	F.Y. 2023-24	% of revenue	F.Y. 2022-23	% of revenue
Masterbatches	1920.83	84.17%	1805.04	82.29%	1678.00	79.23%
Pigments	361.37	15.83%	388.60	17.71%	439.92	20.77%
<b>Grand Total</b>	<b>2282.20</b>	<b>100.00%</b>	<b>2193.64</b>	<b>100.00%</b>	<b>2117.92</b>	<b>100.00%</b>

Geographies Served:

(₹ In Lakhs, unless otherwise stated)

Particulars	F.Y. ended 31 <sup>st</sup> March, 2025	% of revenue	F.Y. ended 31 <sup>st</sup> March, 2024	% of revenue	F.Y. ended 31 <sup>st</sup> March, 2023	% of revenue
<b>In India</b>						
Andhra Pradesh	10.79	0.47%	0.27	0.01%	-	-
Chhattisgarh	2.72	0.12%	0.06	0.00%	-	-
Dadra & Nagar Haveli	443.01	19.41%	385.11	17.56%	529.59	25.00%
Delhi	0.01	0.00%	0.06	0.00%	0.08	0.00%
Goa	2.09	0.09%	1.13	0.05%	2.08	0.10%
Gujarat	343.77	15.06%	426.63	19.45%	553.32	26.13%
Haryana	1.68	0.07%	0.40	0.02%	-	-
Himachal Pradesh	1.85	0.08%	7.41	0.34%	4.5	0.21%
Jammu & Kashmir	-	-	-	-	0.3	0.01%
Karnataka	13.18	0.58%	10.17	0.46%	17.26	0.81%
Kerala	277.96	12.18%	290.11	13.23%	333.67	15.75%
Madhya Pradesh	30.68	1.34%	31.6	1.44%	30.05	1.42%
Maharashtra	883.81	38.73%	609.96	27.81%	470.19	22.20%
Odisha	-	-	0.01	0.00%	-	-
Punjab	1.19	0.05%	0.28	0.01%	0.27	0.01%
Rajasthan	20.77	0.91%	3.89	0.18%	6.31	0.30%
Tamil Nadu	35.60	1.56%	47.88	2.18%	46.89	2.21%
Telangana	0.77	0.03%	1.40	0.06%	6.00	0.28%
Uttarakhand	54.51	2.39%	40.12	1.83%	39.47	1.86%
Uttar Pradesh	2.02	0.09%	1.62	0.07%	0.33	0.02%
West Bengal			0.34	0.02%	-	-
<b>Total (A)</b>	<b>2,126.42</b>	<b>93.17%</b>	<b>1,858.46</b>	<b>84.72%</b>	<b>2,040.30</b>	<b>96.34%</b>
<b>Other Countries</b>						
Canada	68.92	3.02%	120.89	5.51%	40.78	1.93%
Chad	-	-	57.77	2.63%	-	-
Jordan	21.39	0.94%	9.30	0.42%	8.6	0.41%
Oman	-	-	0.05	0.00%	-	-
Peru	0.01	0.00%	-	-	-	-
Qatar	42.21	1.85%	81.80	3.73%	3.17	0.15%
Saudi Arabia	-	-	-	-	4.84	0.23%
Thailand	23.26	1.02%	65.38	2.98%	20.22	0.95%
<b>Total (B)</b>	<b>155.79</b>	<b>6.83%</b>	<b>335.18</b>	<b>15.28%</b>	<b>77.62</b>	<b>3.66%</b>
<b>TOTAL (A+B)</b>	<b>2,282.20</b>	<b>100.00%</b>	<b>2,193.64</b>	<b>100.00%</b>	<b>2,117.92</b>	<b>100.00%</b>

Key Performance Indicators:

(₹ In Lakhs except percentages and ratios)



Key Financial Performance	FY 2024-25	FY 2023-24	FY 2022-23
Revenue from operations <sup>(1)</sup>	2,282.20	2,193.64	2,117.92
EBITDA <sup>(2)</sup>	688.47	397.03	417.59
EBITDA Margin <sup>(3)</sup>	30.17%	18.10%	19.72%
PAT <sup>(4)</sup>	550.30	321.82	293.96
PAT Margin <sup>(5)</sup>	24.11%	14.67%	13.88%
RoE (%) <sup>(6)</sup>	38.46%	32.32%	42.68%
RoCE (%) <sup>(7)</sup>	43.53%	36.67%	49.41%

**Notes:**

- (1) Revenue from operation means revenue from sale of products & services and other operating revenues
- (2) EBITDA is calculated as Profit before tax + Depreciation + Interest Cost - Other Income
- (3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- (4) PAT is calculated as Profit before tax – Tax Expenses
- (5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
- (6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity
- (7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as Shareholders Fund + Long term borrowing + Short term borrowing+ Deferred Tax Liability.

**Revenue segmentation in terms of top 10 clients:** Our top 10 customers contributed approximately 48.19%, 49.99% and 56.38% of our revenue from operations for year ended on 31<sup>st</sup> March 2025, 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2023 respectively

**Intellectual Property:**

Sr. No.	Brand Name/ Logo/ Trademark	Class	TM Category	Trademark Number	Current Status
1.		17	Device	6747220	Formalities Check Pass
2.	MEHUL COLOURS	17	Word	6747219	Formalities Check Pass
3.		1	Device	6747218	Formalities Check Pass
4.	MEHUL COLOURS	1	Word	6747217	Formalities Check Pass

**Market Share:** Not ascertainable

**Manufacturing Plant, If Any:**

Sr. No.	Usage	Address
1.	Manufacturing unit -I	Unit No. 29 to Unit No. 32, Building Amarnath, Tungareshwar Industrial Estate, Sativali, Vasai East, Palghar - 401208
2.	Manufacturing Unit - II and R&D Laboratory	Unit No. 12 to Unit No. 15, Building Saraswati, Tungareshwar Industrial Estate, Sativali, Vasai East, Palghar - 401208

**Employee Strength:** As of June 30, 2025 we had a total of 32 permanent employees. Our Company does not employ any contract labourers.

**BOARD OF DIRECTORS**

Sr. No.	Name	Designation (Independent / Whole time / Executive / Nominee)	Experience & Educational Qualification	Other Directorships
1.	Mehul Pravinchandra Joshi	Chairman & Managing Director	Qualification: He completed his Bachelor of Commerce from the University of Mumbai in the year 1997 and a Diploma in Plastic Engineering from Shri Bhagubhai Mafatlal Polytechnic, Maharashtra in 1998. Experience: He has been on the Board of Company since 2001 and oversees the strategic business planning, operations, and administrative functions within the Company. With over 25 years of experience in the Pigment & Dyes industry, he has expertise in the manufacturing of colour concentrates using both conventional and universal carrier systems.	NIL
2.	Bhakti Mehul Joshi	Whole Time Director	Qualification: She has completed her Bachelor of Commerce from the University of Mumbai in 2003. Experience: She has been on the Board of Company since 2009 and is looking after the finance operations of the Company and possess 15 years of experience in finance field.	NIL



Sr. No.	Name	Designation (Independent / Whole time / Executive / Nominee)	Experience & Educational Qualification	Other Directorships
3.	Hiral Rasikbhai Joshi	Non-Executive Director	Qualification: He holds a Degree of Bachelor of Commerce from University of Mumbai in the year 1999. Experience: He possesses an overall experience of over 25 years in the real estate sector, with specialization in providing comprehensive solutions for real estate investments, including consulting and management of residential, retail and commercial properties. He operates through his sole proprietorship, Hiral Joshi and Associates.	NIL
4.	Jyoti Abhay Jain	Independent Director	Qualification: She holds a degree of Bachelor of Commerce from South Gujarat University and Bachelor of Education from the University of Mumbai. In addition, she holds an Online Diploma Programme in Business Management [CAT 1] Certificate, dated March 03, 2021 Experience: She possesses 15 years of extensive experience in teaching and administrative field. She currently looks after the administrative functions at private School and is also associated as business school teacher.	NIL
5.	Khyati Chetan Ghandhi	Independent Director	Qualification: She has completed Bachelor of Commerce from University of Mumbai in the year 2003 and Post Graduate Diploma in Travel and Tourism from Shreemati Nathibai Damodar Chackersey Women's University Mumbai in the year 2005. Experience: She has an experience of 15 years in the field of Hospitality and tourism. She is the founder of Travel 360 (Degree) Tours & Travels Private Limited, which is specialised in tailor-made travel arrangements for both corporate and leisure groups and individuals.	1. Travel 360 (Degree) Tours & Travels Private Limited

For further details in relation to our Board of Directors, see **“Our Management”** beginning on page 137 of the RHP.

## OBJECTS OF THE ISSUE

### Details of means of finance –

The fund requirements for each of the objects of the Issue are stated as follows:

(₹ In lakhs)

Sr. No.	Particular	Amount to be funded from Net Proceeds	Estimated Utilization of Net Proceeds (F.Y. 2025-26)	Estimated Utilization of Net Proceeds (F.Y. 2026-27)
1.	Funding of capital expenditure towards setup of new manufacturing facility	1463.48	1463.48	-
2.	Funding of Working Capital Requirement	400.00	200.00	200.00
3.	General Corporate Purpose	●	●	●
<b>Total</b>		●	●	●

(1) *To be finalized upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds.*

*For further details please refer to the chapter titled “Objects of the Issue” beginning on page 80 of the Red Herring Prospectus.*

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

**Name of monitoring agency, if any -** Not Applicable

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

**Shareholding Pattern:**

Sr. No.	Particulars	Pre Issue number of shares	% Holding of Pre issue
1.	Promoter and Promoter Group	73,04,036	96.86%
2.	Public	2,37,004	3.14%
	<b>Total</b>	<b>75,41,040</b>	<b>100%</b>

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

## RESTATED FINANCIALS STATEMENT

*(All amounts in Indian Rupees in Lakhs, unless otherwise stated)*

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Total income	2,371.29	2,265.67	2,136.60
Net Profit / (Loss) before tax and extraordinary items	740.37	434.73	410.00
Net Profit / (Loss) after tax and extraordinary items	550.30	321.82	293.96
Equity Share Capital	754.10	29.00	29.00
Reserves and Surplus	951.96	1,126.71	806.76
Net worth	1706.06	1155.71	835.76
Basic earnings per share (₹) (Based on Weighted Average number of Shares)	7.30	4.27	3.90
Diluted earnings per share (₹) (Based on Weighted Average number of Shares)	7.30	4.27	3.90
Return on net worth (%)	32.26%	27.85%	35.17%
Net asset value per share (Based on Actual number of Shares) (₹)	22.62	398.47	288.15
Net asset value per share (Based on Weighted Average number of Shares) (₹)	22.62	15.33	11.08

For further reference related to financial information of the Company, please refer to the chapter titled **“Restated Financial Statement”** beginning on page 157 of RHP.

## INTERNAL RISK FACTORS

1. *We derived a significant portion of our revenue from the sale of our key product i.e. Masterbatches. Any decline in the sales of our key offering could have an adverse effect on our business, results of operations and financial condition.*
2. *Substantial portion of our revenue has been dependent upon few customers with which we do not have any firm commitments. The loss of any one or more of our major customers would have a material adverse effect on our business, cash flows, results of operations and financial conditions.*
3. *Our Company does not have long-term agreements with suppliers for our input materials and a significant increase in the cost of, or a shortfall in the availability, or deterioration in the quality, of such input materials could have an adverse effect on our business and results of operations.*
4. *There are outstanding legal proceedings involving our Company and our Directors. Any adverse decisions could impact our cash flows and profit or loss to the extent of demand amount, interest and penalty, divert management time and attention and have an adverse effect on our business, prospects, results of operations and financial condition.*
5. *We are subject to strict quality requirements and any failure to comply with quality standards may lead to cancellation of existing and future orders, product recalls, product liability, warranty claims and other disputes and claims.*
6. *We do not own the existing manufacturing facilities, godown, sales depot and registered office from where we carry out our business activities. In case of non-renewal of lease agreements or dispute in relation to use of the said premise, our business and results of operations can be adversely affected.*
7. *Setting up of a new manufacturing facility requires substantial capital outlay before we realize any benefits or returns on investments and is subject to the risk of unanticipated delays.*
8. *Any disruptions or shutdown of our manufacturing operations at our existing facilities could have an adverse effect on our business, financial condition and results of operations.*
9. *Under-utilization of our manufacturing capacities may have an adverse effect on our business, future prospects and future financial performance. Moreover, information relating to capacity utilization of our production facility included in the Red Herring Prospectus is based on certain assumptions and has been subjected to rounding off and future production and capacity utilization may vary.*
10. *Our business operations are majorly concentrated in certain geographical regions and any adverse developments affecting our operations in these regions could have a significant impact on our revenue and results of operations.*

For further details on please refer chapter titled 'Risk Factors' beginning on page no. 26 of the Red Herring Prospectus.

## SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A summary of outstanding litigation proceedings involving our Company and our Directors, as on the date of the Red Herring Prospectus as disclosed in the section titled “*Outstanding Litigation and Material Developments*” in terms of the SEBI (ICDR) Regulations and the Materiality Policy is provided below:

(₹ in lakhs)

Sr. No.	Name of individual/ entity	Criminal Proceedings	Tax proceedings	Action by Statutory/ Regulatory proceeding	Disciplinary actions by the SEBI or stock Exchanges against our Promoters	Material litigation	Aggregate amount involved
1.	<b>Company</b>						
	By the Company	Nil	Nil	Nil	Nil	Nil	N.A.
	Against the Company	Nil	2	Nil	Nil	Nil	11.12
2.	<b>Directors (Other Than Promoters)</b>						
	By the Directors	Nil	Nil	Nil	Nil	1	16.69
	Against the Directors	Nil	Nil	Nil	Nil	Nil	N.A.
3.	<b>Promoters</b>						
	By the Promoters	Nil	Nil	Nil	Nil	Nil	N.A.
	Against the Promoters	Nil	Nil	Nil	Nil	Nil	N.A.

For further details, see “*Outstanding Litigation and Material Developments*” on page 220 of the RHP.

A. Brief details of top 5 material outstanding litigations against the company and amount involved:-

### **TDS Demand:**

As per the TRACES portal, there is an outstanding TDS liability of approximately ₹2.86 lakhs. This includes short payment of ₹0.70 lakhs, short deduction of ₹0.27 lakhs, interest under Sections 201 and 220(2) amounting to ₹1.55 lakhs, and a late filing fee under Section 234E of ₹ 0.34 lakhs.

### **Indirect Tax:**

A GST DRC-07 order under Section 74 of the GST Act for FY 2018-19 has raised a demand of ₹8.26 lakhs (₹4.13 lakhs tax and ₹4.13 lakhs penalty) on grounds of availing Input Tax Credit (ITC) on invoices from a supplier who failed to file GSTR-3B returns. An appeal was filed on April 24, 2024 by the Company, stating that the goods were purchased from a registered supplier who had filed GSTR-1 till November 2018 and GSTR-3B till May 2018, and later continued the business under a different GSTIN. Final order is awaited.

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

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

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

### **DECLARATION BY THE COMPANY**

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