



MEHUL COLOURS LIMITED

(Formerly known as Mehul Colours and Masterbatches Limited)

CIN: U25209MH1995PLC095225

Our Company was incorporated on December 12, 1995 under the name of “Mehul Colours and Masterbatches Private Limited”, a private limited Company under the provisions of the Companies Act, 1956, pursuant to a Certificate of Incorporation issued by Registrar of Companies, Maharashtra. Thereafter, our Company was converted from private limited to public limited, pursuant to special resolution passed by the shareholders of the Company at the Extraordinary general meeting held on December 02, 2024 and the name of our Company was changed from “Mehul Colours and Masterbatches Private Limited”, to “Mehul Colours and Masterbatches Limited”, vide fresh certificate of incorporation dated December 16, 2024 issued by the Registrar of Companies, Central Processing Centre Further, Pursuant to Special Resolution passed by the shareholders at the Extra-Ordinary General Meeting held on January 04, 2025, the name of our Company was changed from “Mehul Colours and Masterbatches Limited” to “Mehul Colours Limited” and a fresh Certificate of Incorporation issued by the Registrar of Companies, Central Processing Centre, on January 9, 2025.

Registered Office: Unit No - A 305, 306, Kemp Plaza, Link Road, Chincholi Bunder Road, Mind Space, Near Evershine Mall, Malad West, Mumbai, Maharashtra, India, 400064.
Tel No: +91-22-2872 3555 / 2872 7874 | **E-mail:** info@mehulcolours.com | **Website:** www.mehulcolours.com | **Contact Person:** Shilpa Karan Mehta, Company Secretary and Compliance Officer

THE PROMOTERS OF OUR COMPANY ARE MEHUL PRAVINCHANDRA JOSHI AND BHAKTI MEHUL JOSHI

THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 30,08,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE “EQUITY SHARES”) OF MEHUL COLOURS LIMITED (“OUR COMPANY” OR “MCL” OR “THE ISSUER”) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS (“PUBLIC ISSUE”) OUT OF WHICH 1,52,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 28,56,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 28.51% AND 27.07% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

PRICE BAND: ₹ 68/- to ₹ 72/- PER EQUITY SHARE OF FACE VALUE ₹ 10/- EACH

THE FLOOR PRICE IS 6.8 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 7.2 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE TO EARNING RATIO BASED ON DILUTED EPS FOR FISCAL 2025 AT THE FLOOR PRICE IS 9.32 TIMES AND AT THE CAP PRICE IS 9.86 TIMES.

BIDS CAN BE MADE FOR A MINIMUM OF 3200 EQUITY SHARES AND IN MULTIPLES OF 1600 EQUITY SHARES THEREAFTER.

ISSUE PROGRAM

ANCHOR INVESTOR BIDDING DATE : TUESDAY, JULY 29, 2025

BID/ISSUE OPENS ON : WEDNESDAY, JULY 30, 2025

BID/ISSUE CLOSES ON : FRIDAY, AUGUST 01, 2025 ^

^ UPI mandate end time shall be at 05:00 pm on the Bid/Issue closing date.

BRIEF DESCRIPTION OF THE BUSINESS OF THE COMPANY

We are 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.

THIS ISSUE IS MADE THROUGH BOOK BUILDING PROCESS, IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE “SEBI (ICDR) REGULATIONS”), AS AMENDED READ WITH RULE 19(2)(B) OF SECURITIES CONTRACT (REGULATION) RULES, 1957, AS AMENDED.

THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF BSE (“BSE SME”). BSE SHALL BE THE DESIGNATED STOCK EXCHANGE.

ALLOCATION OF THE ISSUE

QIB PORTION	NOT MORE THAN 14,25,600 EQUITY SHARES I.E. 49.92% OF THE NET ISSUE
INDIVIDUAL PORTION	NOT LESS THAN 10,01,600 EQUITY SHARES I.E. 35.07% OF THE NET ISSUE
NON-INSTITUTIONAL PORTION	NOT LESS THAN 4,28,800 EQUITY SHARES I.E. 15.01% OF THE NET ISSUE
MARKET MAKER PORTION	1,52,000 EQUITY SHARES I.E. 5.05% OF THE ISSUE

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN RED HERRING PROSPECTUS AND THE TERMS OF THE ISSUE, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE ISSUE AVAILBLE IN ANY MANNER.

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated July 23, 2025 the above provided price band is justified based on quantitative factors/ KPIs disclosed in the ‘Basis for Issue Price’ section beginning on page 92 of the Red Herring Prospectus vis-a-vis the weighted average cost of acquisition (“WACA”) of primary and secondary transaction(s), as applicable, disclosed in “Basis for Issue Price” section on page 96 of the Red Herring Prospectus and provided below in the advertisement.

RISKS TO INVESTORS

1. Risk to Investors: Summary description of key risk factors based on materiality:

- 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.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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.

- 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.
- 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 this Red Herring Prospectus is based on certain assumptions and has been subjected to rounding off and future production and capacity utilization may vary.
- 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.
- We require certain approvals, licenses, registrations and permits to operate our business and failure to obtain or renew them in a timely manner or maintain the statutory and regulatory permits and approvals required to operate our business may adversely affect our operations and financial conditions.
- Our inability to effectively manage risks associated with international sales could significantly impact our overall profitability. These risks include potential losses in foreign markets, disruptions to operations and challenges arising from international trade complexities.
- There have been instances of delays and non-deposit of certain statutory dues, including ESIC, PF and Professional Tax. Any cognizance being taken by respective authorities or future delays or non-compliance in payment of statutory obligations may result in penalties, interest liabilities, or regulatory actions, which could adversely impact our business, financial condition, results of operations and cash flows.

Average cost of acquisition of Equity Shares held by the Individual Promoters is:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mehul Pravinchandra Joshi	66,53,520	0.00
2.	Bhakti Mehul Joshi	6,50,000	0.38

Note: 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. As the sale proceeds exceeded the aggregate original cost of acquisition of the said shares, the cost of acquisition for the equity shares currently held by the Promoter is considered to be NIL.

and the Issue Price at the upper end of the Price Band is ₹ 72 per Equity Share.

• The Price/ Earnings ratio based on Diluted EPS for Fiscal 2025 for the company at the upper end of the Price Band is 9.86 times.

• Weighted Average Return on Net worth for Fiscals 2025, 2024 and 2023 is 31.27%.

2. Details of suitable ratios of the company and its peer group for the latest full financial year:

Name of Company	Current Market Price (₹)	Face Value	EPS (Basic)	EPS (Diluted)	PE	RoNW (%)	Book Value (₹)	Total Revenue (₹ In lakhs)
Mehul Colours Limited	●	10.00	7.30	7.30	●	32.26%	22.62	2,371.29
Peer Group								
Polylink Polymers (India) Limited*	26.55	5.00	0.96	0.96	28.00	7.13%	13.52	9,123.33
Deep Polymers Limited*	56.85	10.00	2.13	2.13	25.68	5.75%	38.47	10,091.28

* We have mentioned listed peer which falls in the similar line of business as of our Company for broad comparison purpose, however there is a distinction in the product portfolio between our company and those of our selected peer i.e. Polylink Polymers (India) Limited and Deep polymers Limited.

Notes:

- (i) Source – All the financial information for listed industry peer mentioned above is sourced from the Financial Results of the aforesaid companies for the year ended March 31, 2025 and stock exchange data dated 17th July, 2025 to compute the corresponding financial ratios.
- (ii) For our Company, we have taken Current Market Price as the issue price of equity share. Further, P/E Ratio is based on the current market price of the respective scrips.
- (iii) The EPS, NAV, RoNW and total Income of our Company are taken as per Restated Financial Statement for the FY. 2024-25.
- (iv) NAV per share is computed as the closing net worth divided by the weighted average number of paid-up equity shares as on March 31, 2025.
- (v) RoNW has been computed as net profit after tax divided by closing net worth.
- (vi) Net worth has been computed in the manner as specifies in Regulation 2(1) (hh) of SEBI (ICDR) Regulations, 2018.
- (vii) The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is |●| times the face value of equity share.

3. Weighted average return on net worth for the last 3 FYs.

Sr. No	Period	RoNW	Weights
1.	Period ending March 31, 2025	32.26%	3
2.	Period ending March 31, 2024	27.85%	2
3.	Period ending March 31, 2023	35.17%	1
	Weighted Average	31.27%	6

Note:

- i. The figures disclosed above are based on the Restated Financial Statements of the Company.
- ii. The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

4. Weighted average cost of acquisition of all the shares transacted in the three years, 18 months and one year preceding the date of the Red Herring Prospectus.

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

5. Disclosures as per clause (9)(K)(4) of Part A to Schedule VI:

- a) Price per share of our Company (as adjusted for corporate actions, including split) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the eighteen months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuances”) - NIL
- b) Price per share of our Company (as adjusted for corporate actions, including split) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving our Promoters, members of the Promoter Group , Selling Shareholder, or Shareholder(s) having the right to nominate Director(s) on our Board during the eighteen months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Secondary Transactions”) - NIL
- c) Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter/ Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this certificate irrespective of the size of transactions, is as below:

Date of Transfer	Name of transferor	Name of transferee	No. of Equity shares	Price Per Equity Share (₹)	Nature of transaction	Total Consideration
July 02, 2025	Mehul Pravinchandra Joshi (Promoter and Chairman and Managing Director)	Amrut Bharat Opportunities Fund - Series I	75,000	48	Cash	36,00,000
		Sunrise India Growth Trust - Sunrise India Growth Fund	1,00,000	48	Cash	48,00,000
		Ms. Priya Vijay Thakkar	62,000	48	Cash	29,76,000
November 29, 2024	Kishan Narayan Bhagat	Pravinchandra Girdharlal Joshi	258	10	Cash	2,580
		Usha Pravinchandra Joshi	258	10	Cash	2,580

Weighted average cost of acquisition & Issue price:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor Price* (i.e. ₹ 68)	Issue price* (i.e. ₹ ●)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	NA ^ ^	NA ^ ^	NA ^ ^
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA ^ ^	NA ^ ^	NA ^ ^
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	47.92	1.42 times	● times

^ There were no primary/ new issue of shares (equity/ convertible securities) as mentioned in paragraph 8(a) above, in last 18 months from the date of this Red Herring Prospectus.

^^ There were no secondary sale/ acquisitions as mentioned in paragraph 8(b) above, in last 18 months from the date of this Red Herring Prospectus.

* To be updated at Prospectus stage.

ADDITIONAL INFORMATION FOR INVESTORS:

1. Details of proposed /undertaken pre-issue placements from the DRHP filing date - Our Company has not undertaken any Pre-IPO Placements from the DRHP filing date.

2. Transaction of shares aggregating up to 1% or more of the paid-up equity share capital of the company by promoter(s) and promoter group(s) from the DRHP filing date:

Date of Transfer	Name of Transferor	Name of Transferee	Nature of Transaction	No. of shares transferred	Percentage of Pre-offer share capital of the company	Price per share (₹)	Consideration (In ₹)
July 02, 2025	Mehul Pravinchandra Joshi (Promoter, Chairman & Managing Director)	Amrut Bharat Opportunities Fund - Series I (Category – Public)	Off Market sale	75,000	0.99%	48.00/-	36,00,000
July 02, 2025		Sunrise India Growth Trust- Sunrise India Growth Fund (Category – Public)		1,00,000	1.33%		48,00,000
July 02, 2025		Ms. Priya Vijay Thakkar (Category – Public)		62,000	0.82%		29,76,000
TOTAL				2,37,000	3.14%		1,13,76,000

Please note that the Equity Share transferred pursuant to the Secondary Transactions, being the pre-issue equity share capital shall be subject to Lock-in, in accordance with terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018.

The aforementioned transferees are not connected to the issuer company or its promoters, promoter group, directors, KMPs or SMPs in any manner.


3. Pre Issue Shareholding of Promoter / Promoter Group and Additional Top 10 Shareholders of the Company:

Name	Pre Issue		Post-Issue shareholding as at Allotment*			
	No. of Equity Shares of face value of ₹10 each	Percentage of pre- Issue Equity Share capital (%)	At the lower end of the price band (₹68)		At the upper end of the price band (₹72)	
			Number of Equity Shares of face value of ₹10 each	Percentage of post Issue Equity Share capital (%)	Number of Equity Shares of face value of ₹10 each	Percentage of post Issue Equity Share capital (%)
Promoters (A)						
Mehul Pravinchandra Joshi	66,53,520	88.23	66,53,520	63.07%	66,53,520	63.07%
Bhakti Mehul Joshi	6,50,000	8.62	6,50,000	6.16%	6,50,000	6.16%
Sub Total (A)	73,03,520	96.85	73,03,520	69.23%	73,03,520	69.23%
Promoter Group (B)						
Pravinchandra Girdharlal Joshi	258	0.00	258	0.00	258	0.00
Usha Pravinchandra Joshi	258	0.00	258	0.00	258	0.00
Sub Total (B)	516	0.01	516	0.00	516	0.00
Top 10 shareholders other than the above (C)						
Sunrise India Growth Trust - Sunrise India Growth Fund	1,00,000	1.33	1,00,000	0.95%	1,00,000	0.95%
Amrut Bharat Opportunities Fund - Series I	75,000	0.99	75,000	0.71%	75,000	0.71%
Ms. Priya Vijay Thakkar	62,000	0.82	62,000	0.59%	62,000	0.59%

Arokia Mary Sebastian	1	Negligible	1	Negligible	1	Negligible
Rashmi Rajendra Parab	1	Negligible	1	Negligible	1	Negligible
Kishan Narayan Bhagat	1	Negligible	1	Negligible	1	Negligible
Rosemary Kumar	1	Negligible	1	Negligible	1	Negligible
Sub Total (C)	2,37,004	3.14	2,37,004	2.25%	2,37,004	2.25%
TOTAL (A+B+C)	75,41,040	100.00	75,41,040	71.49%	75,41,040	71.49%

*Subject to completion of the Issue and finalization of the Basis of Allotment.


Notes: 1) Assuming full subscription in the Issue (fresh issue). The post-issue shareholding details as at allotment will be based on the actual subscription and the final Issue price and updated in the prospectus, subject to finalization of the basis of allotment. Also, this table assumes there is no transfer of shares by these shareholders between the date of the advertisement and allotment (if any such transfers occur prior to the date of prospectus, it will be updated in the shareholding pattern in the prospectus).

BASIS FOR ISSUE PRICE	
	The “Basis for Issue Price” on page 92 of the RHP has been updated with the above price band. Please refer to the website of the BRLM (https://serencapital.in/offer-documents.php) or scan the given QR code for the “Basis for Issue Price” updated with the above price band.

INDICATIVE TIMELINES FOR THE ISSUE	
An Indicative timetable in respect of the Issue is set out below:	
Sequence of Activities	Listing within T+3 days (T is issue closing date i.e. August 01, 2025)
Bid/Issue Period (except the Bid/Issue Closing Date) (other than Bids from Anchor Investors)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))
Bid/Issue Closing Date* (i.e. August 01, 2025) (other than Bids from Anchor Investors)	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts)	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Individuals, Non individual Applications of QIBs and Nil’s)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Bid Revision/Modification	Only between 10.00 a.m. on the Bid/Issue Opening Date and up to 5.00 p.m. IST on Bid/Issue Closing Date
Validation of bid details with depositories	From Issue opening date up to 5 pm on Friday, August 01, 2025.
Reconciliation of UPI mandate transactions (Based on the guidelines issued by NPCI from time to time): Among Stock Exchanges –Sponsor Banks – NPCI and NPCI – PSPs/TPAPs** – Issuer Banks; Reporting formats of bid information, UPI analysis report and compliance timelines.	On daily basis Merchant Bankers to submit to SEBI, sought as and when.
UPI Mandate acceptance time	Friday, August 01, 2025– 5 pm
Issue Closure T day	Friday, August 01, 2025– 4 pm for QIB and Nil categories Friday, August 01, 2025– 5 pm for Individual investors and other reserved categories
Third party check on UPI applications	On daily basis and to be completed before 9:30 AM on Monday, August 04, 2025
Third party check on Non-UPI applications	On daily basis and to be completed before 1 pm on Monday, August 04, 2025.
Submission of final certificates: -For UPI from Sponsor Bank -For Bank ASBA, from all SCSBs -For syndicate ASBA UPI ASBA	Before 09:30 pm on Friday, August 01, 2025. All SCSBs for Direct ASBA – Before 07:30 pm on Friday, August 01, 2025 Syndicate ASBA - Before 07:30 pm on Friday, August 01, 2025
Finalization of rejections and completion of basis	Before 6 pm on Monday, August 04, 2025.
Approval of basis by Stock Exchange	Before 9 pm on Monday, August 04, 2025.
Issuance of fund transfer instructions in separate files for debit and unblock. For Bank ASBA and Online ASBA – To all SCSBs For UPI ASBA – To Sponsor Bank Corporate action execution for credit of shares	Initiation not later than 09:30 am on Tuesday, August 05, 2025; Completion before 2 pm on Tuesday, August 05, 2025 for fund transfer; Completion before 4 pm on Tuesday, August 05, 2025 for unblocking.
Filing of listing application with Stock Exchanges and issuance of trading notice	Before 7:30 pm on Tuesday, August 05, 2025
Publish allotment advertisement	On website of Issuer, Merchant Banker and RTI - before 9 pm on Tuesday, August 05, 2025. In newspapers – On Wednesday, August 06, 2025.
Trading starts T+3 day	Trading starts Wednesday, August 06, 2025

*UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date

*Individual investors, QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/ withdraw their Bids.

ASBA*	Simple, Safe, Smart way of Application- Make use of it!!!	*Application Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For further details check section on ASBA below.	Mandatory in Public Issues. No cheque will be accepted.
 UPI – Now available in ASBA for Retail Individual investors and Non-Institutional investor applying for amount up to ₹5,00,000/- applying through Registered Brokers, DP’s & RTAS. UPI Bidder also have the option to submit the Application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the Bank Account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020, issued by the CBDT and the subsequent press release, including press release dated June 25, 2021 and September 17, 2021 and CBDT circular no. 7 of 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releasesin this regard.			

ASBA has to be availed by all the investors except anchor investors. UPI may be availed by (i) Retail Individual Investors in the Retail Portion. (ii) Non-Institutional Investors with an application size of up to ₹ 5,00,000 in the Non-Institutional Portion. For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section “Issue Procedure” on page 256 of the Red Herring Prospectus. The process is also available on the website of Association of Investment Bankers of India (“AIBI”) and Stock Exchanges and in the General Information Document. ASBA bid-cum-application forms can be downloaded from the websites of Stock Exchanges and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?RecognisedFpi=yes&intmid=35 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=43, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: www.sebi.gov.in. UPI mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. ICICI Bank Limited and Axis Bank Limited has been appointed as Sponsor Banks for the Issue, in accordance with the requirements of the SEBI Circular dated November 1, 2018 as amended. For Issue related queries, please contact the BRLMs on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll-free number: 18001201740 and mail Id: ipo.upi@npci.org.in.

In case of any revisions in the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of one Working Day, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the net Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors(out of which one third shall be reserved for applicants with an application size of more than two lots and upto such lots equivalent to not more ₹ 10,00,000 and two-thirds shall be reserved for applicants with application size of more than ₹ 10,00,000) and not less than 35% of the Issue shall be available for allocation to Individual Investors who applies for minimum application size in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorization to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. For details, see “Issue Procedure” beginning on page 256 of the Red Herring Prospectus.

Bidders/ Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidders/Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants’ sole risk. Bidders/Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Investors must ensure that their PAN is linked with AADHAR and are in compliance with CBDT Notification dated February 13, 2020 and press release dated June 25, 2021.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see “History and Corporate Structure” on page 134 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section “Material Contracts and Documents for Inspection” on page 324 of the Red Herring Prospectus.

LIABILITY OF MEMBERS AS PER MOA: The Liability of the members of the Company is Limited.

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The Authorized share capital of the Company is ₹ 11,00,00,000 divided into 1,10,00,000 Equity Shares of ₹ 10/- each. The issued, subscribed and paid-up share capital of the Company before the Issue is ₹ 7,54,10,400 divided into 75,41,040 Equity Shares of ₹ 10/- each. For details of the Capital Structure, see “Capital Structure” on the page 67 of the Red Herring Prospectus.

NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM:					
ORIGINAL SIGNATORIES			CURRENT PROMOTERS		
Name of Promoters	Face Value (₹)	No. of Shares	Name of Promoters	Face Value (₹)	No. of Shares
Pravinchandra Ghirdharlal Joshi	10.00	10	Mehul Pravinchandra Joshi	10.00	66,53,520
Usha Pravinchandra Joshi	10.00	10	Bhakti Mehul Joshi	10.00	6,50,000
Mehul Pravinchandra Joshi	10.00	10			

LISTING: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE SME (i.e. SME Platform of BSE). Our Company has received an “In-principle” approval from the BSE for the listing of the Equity Shares pursuant to letter dated July 01, 2025. For the purposes of the Issue, the Designated Stock Exchange shall be BSE. A signed copy of the Red Herring Prospectus has been submitted for registration to the ROC on July 23, 2025 and Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act, 2013.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”): Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Red Herring Prospectus shall be filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire “Disclaimer Clause of SEBI” beginning on page 237 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF BSE (THE DESIGNATED STOCK EXCHANGE): “It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the contents of the Offer Document or the price at which the equity shares are offered has been cleared, solicited or approved by BSE, nor does it certify the correctness, accuracy or completeness of any of the contents of the Offer Document. The investors are advised to refer to the Offer Document for the full text of the “Disclaimer Clause of BSE” beginning on page 239 of the Red Herring Prospectus.

GENERAL RISK: Investments in equity and 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 Red Herring Prospectus. Specific attention of the investors is invited to “*Risk Factors*” on page 26 of the Red Herring Prospectus.

TRACK RECORD OF BOOK RUNNING LEAD MANAGER: The BRLM associated with the Issue has handled 1 Public Issue in the past three years, out of which none of the issue was closed below the Issue/ Offer Price on listing date.

Name of BRLM	Total Issue		Issue closed below IPO Price on Listing Date.
	Mainboard	SME	
Seren Capital Private Limited	0	1	0

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE	COMPANY SECRETARY AND COMPLIANCE OFFICER
<div> Elevate Your Potential</div> <div>SEREN CAPITAL PRIVATE LIMITED Office no. 601 to 605, Raylon Arcade, Kondivita, J.B. Nagar, Mumbai, Maharashtra – 400059 Tel. No.: +91-22-46011058 Email: info@serencapital.in Investor Grievance Email: investor@serencapital.in Website: https://serencapital.in/ Contact Person: Ankit Maheshwari / Tripti Pathani SEBI Regn. No.: INM000013156</div>	<div></div> <div>BIGSHARE SERVICES PRIVATE LIMITED S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road andheri (East) Mumbai – 400093, India. Telephone: +91 22 6263 8200 Email: ipo@bigshareonline.com Investor Grievance Email: investor@bigshareonline.com Website: www.bigshareonline.com Contact Person: Vinayak Morbale SEBI Registration Number: INR000001385</div>	<div></div> <div>Ms. Shilpa Karan Mehta Company Secretary and Compliance Officer Unit No - A 305,306, Kemp Plaza, Link Road, Chincholi Bunder Road, Mind Space, Near Evershine Mall, Malad West Mumbai, Maharashtra, India, 400064 Telephone: +91-22-2872 3555 / 2872 7874 E-mail: info@mehulcolours.com Website: https://www.mehulcolours.com Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account, etc.</div>

Availability of Red Herring Prospectus: Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein, before applying in the issue. Full copy of the Red Herring Prospectus will be available at the website of SEBI at www.sebi.gov.in; the website of Stock Exchange at www.bseindia.com, the website of BRLM at www.serencapital.in and website of Company at www.mehulcolours.com.

Availability of the Abridged Prospectus: A copy of the abridged prospectus shall be available on the website of the Company, BRLM and BSE at <https://mehulcolours.com/investors/>, <https://serencapital.in/offer-documents.php> and <https://www.bsesme.com/PublicIssues/PublicIssues.aspx?id=1>, respectively.

Syndicate Member: Asnani Stock Broker Private Limited

Availability of Bid-Cum-Application forms: Bid-Cum-Application forms can be obtained from the Company: Mehul Colours Limited, Book Running Lead Manager: Seren Capital Private Limited. Application Forms can also be obtained from the Stock Exchange and list of SCSBs available on the website of SEBI at www.sebi.gov.in and website of Stock Exchange at www.bseindia.com.

Application Supported by Blocked Amount (ASBA): All investors in this issue have to compulsorily apply through ASBA. The investors are required to fill the ASBA form and submit the same to their banks. The SCSB will block the amount in the account as per the authority contained in ASBA form. On allotment, amount will be unblocked and account will be debited only to the extent required to be paid for allotment of shares. Hence, there will be no need of refund.

For more details on the issue process and how to apply, please refer to the details given in application forms and abridged prospectus and also please refer to the chapter “*Issue Procedure*” on page 256 of the Red Herring Prospectus.

BANKER TO THE ISSUE: AXIS BANK LIMITED

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

	For Mehul Colours Limited Sd/- Mehul Pravinchandra Joshi Designation: Chairman & Managing Director DIN: 00178766
Date: July 23, 2025 Place: Mumbai, Maharashtra	

Disclaimer: Mehul Colours Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares the Red Herring Prospectus dated June 23, 2025 has been filed with the Registrar of Companies, Mumbai, Maharashtra and thereafter with SEBI and the Stock Exchanges. The RHP shall be available on the website of the SEBI at www.sebi.gov.in , website of BSE SME at www.bsesme.com and is available on the websites of the BRLM at www.serencapital.in. Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the Red Herring Prospectus including the section titled “*Risk Factors*” beginning on page 26 of the Red Herring Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “*Securities Act*”) or any state securities laws in the United States, and unless so registered, and may not be issued 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 in accordance with any applicable U.S. State Securities laws. The Equity Shares are being issued and sold outside the United States in ‘offshore transactions’ in reliance on Regulation “S” under the Securities Act and the applicable laws of each jurisdiction where such issues and sales are made. There will be no public offering in the United States.