ROSSARI BIOTECH LIMITED

Our Company was initially incorporated as "Rossari Labtech" on March 6, 2003, as a partnership firm under the Indian Partnership Act, 1932, pursuant to a certificate of registration dated June 22, 2003, issued by the Registrar of Firms, Mumbai. The name of the partnership firm was changed to "Rossari Biotech" on December 5, 2003 and further the firm converted into a joint stock company on August 10, 2009, under part IX of the Companies Act, 1956 as "Rossari Biotech Limited" with a certificate of incorporation granted by the Registrar of Companies, Maharashtra at Mumbai ("**RoC**"). We received our certificate of commencement of business on August 13, 2009. For details of the change in the registered office of our Company, see "***History and Certain Corporate Matters***" on page 173.

Corporate Identity Number: U24100MH2009PLC194818
Registered and Corporate Office: 201 A - B, 2nd Floor, Akruti Corporate Park, L.B.S. Marg, next to GE Gardens, Kanjurmarg (W), Mumbai 400 079, India; **Tel:** (+91 22) 6123 3800
Contact Person: Ms. Parul Gupta, Company Secretary and Compliance Officer; **Tel**: (+91 22) 6123 3800
E-mail: cs@rossarimail.com; **Website**: www.rossari.com

OUR PROMOTERS: MR. EDWARD WALTER MENEZES AND MR. SUNIL SRINIVASAN CHARI

INITIAL PUBLIC OFFERING OF 11,676,470* EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH ("EQUITY SHARES") OF ROSSARI BIOTECH LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 425 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 423 PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING TO ₹ 4,962.50* MILLION COMPRISING A FRESH ISSUE OF 1,176,470* EQUITY SHARES AGGREGATING TO ₹ 500.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 10,500,000* EQUITY SHARES (THE "OFFERED SHARES") AGGREGATING TO ₹ 4,462.50* MILLION, COMPRISING AN OFFER FOR SALE OF 5,250,000* EQUITY SHARES AGGREGATING TO ₹ 2,231.25* MILLION BY MR. EDWARD MENEZES AND 5,250,000* EQUITY SHARES AGGREGATING TO ₹ 2,231.25* MILLION BY MR. SUNIL CHARI (THE "PROMOTER SELLING SHAREHOLDERS" OR THE "SELLING SHAREHOLDERS"), (THE "OFFER FOR SALE", AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER CONSTITUTES 22.49*% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**** SUBJECT TO FINALISATION OF BASIS OF ALLOTMENT***
*****OUR COMPANY HAS, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMs"), UNDERTAKEN A PRIVATE PLACEMENT OF EQUITY SHARES AGGREGATING TO ₹ 999.99 MILLION ("PRE-IPO PLACEMENT"). THE SIZE OF THE FRESH ISSUE OF ₹ 1,500.00 MILLION HAS BEEN REDUCED BY ₹ 999.99 MILLION PURSUANT TO THE PRE-IPO PLACEMENT AND ACCORDINGLY, THE SIZE OF THE FRESH ISSUE WAS ₹ 500.00 MILLION.***

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 2 EACH AND THE OFFER PRICE IS 212.50 TIMES THE FACE VALUE OF THE EQUITY SHARES

The Offer has been made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the "**SCRR**") read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), and the Offer constitutes 22.49% (subject to finalisation of Basis of Allotment) of the post-Offer paid-up equity share capital of our Company. The Offer has been made through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, where not more than 50% of the Offer will be Allotted on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") (the "**QIB Category**"), provided that our Company in consultation with the BRLMs, has allocated up to 60% of the QIB Category to Anchor Investors, on a discretionary basis (the "**Anchor Investor Portion**"), of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares were allocated to Anchor Investors. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Category was made 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 Offer Price. If at least 50% of the Offer cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. Further, not less than 15% of the Offer was made available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer was made available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All Bidders (other than Anchor Investors) were mandatorily required to participate in this Offer through the Application Supported by Block Amount ("**ASBA**") process, and were required to provide details of their respective bank account (including UPI ID for Retail Individual Investors using UPI Mechanism) in which the Bid Amount was blocked by the SCSBs or the Sponsor Bank, as the case may be. Anchor Investors were not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, specific attention is invited to "***Offer Procedure***" on page 324.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 2 and the Floor Price and Cap Price are 211.50 times and 212.50 times the face value of the Equity Shares, respectively. The Offer Price (as determined and justified by our Company in consultation with the BRLMs), and the Price Band (as decided by our Company and the Selling Shareholders, in consultation with the BRLMs), in accordance with the SEBI ICDR Regulations, and as stated in "***Basis for Offer Price***" on page 94, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer 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 Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, 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 this Prospectus. Specific attention of the investors is invited to "***Risk Factors***" on page 24.

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Selling Shareholders, severally and not jointly, accept responsibility for only such statements confirmed or undertaken by such Selling Shareholders in this Prospectus to the extent such statements pertain to such Selling Shareholder and/or its portion of the Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, each Selling Shareholder, severally and not jointly, does not assume any responsibility for any other statements, including without limitation, any and all of the statements made by or in relation to the Company or the other Selling Shareholders in this Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the BSE and NSE. We have received in-principle approvals from the BSE and NSE for the listing of the Equity Shares pursuant to letters dated December 27, 2019 and January 10, 2020, respectively. For the purpose of this Offer, BSE is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus has been and this Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Offer Closing Date, see ***"Material Contracts and Documents for Inspection"*** on page 358.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER
Axis Capital Limited 1st Floor, Axis House C-2, Wadia International Centre, P.B. Marg Worli Mumbai 400 025, Maharashtra, India **Tel:** (+ 91 22) 4325 2183 **E-mail:** rbl@axiscap.in **Website:** www.axiscapital.co.in **Investor grievance E-mail:** complaints@axiscap.in **Contact person:** Ms. Simran Gadh **SEBI Registration No.:** INM000012029	**ICICI Securities Limited** ICICI Centre, H.T. Parekh Marg Churchgate, Mumbai 400 020 Maharashtra, India **Tel:** (+91 22) 2288 2460 **Email**: rossari.ipo@icicisecurities.com **Website:** www.icicisecurities.com **Investor Grievance E-mail**: customercare@icicisecurities.com **Contact person:** Mr. Arjun A. Mehrotra / Mr. Rupesh Khant **SEBI Registration No:** INM000011179	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai 400 083 Maharashtra, India **Tel:** (+91 22) 4918 6200 **Email:** rossaribio.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Ms. Shanti Gopalkrishnan **SEBI Registration No:** INR000004058

BID/OFFER PERIOD

BID/OFFER OPENED ON*	July 13, 2020	BID/OFFER CLOSED ON	July 15, 2020

** The Anchor Investor Bidding Date was one Working Day prior to the Bid/Offer Opening Date, i.e. July 10, 2020.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or implies, the following terms and abbreviations have the following meanings in this Prospectus, and references to any statute or rules or guidelines or regulations or policies will include any amendments, clarifications, modifications, replacements or re-enactments thereto, from time to time.

*Unless the context otherwise indicates, all references to "**the Company**", and "**our Company**", are references to Rossari Biotech Limited, a public limited company incorporated in India under the Companies Act, 1956 with its registered and corporate office at 201 A - B, 2nd Floor, Akruti Corporate Park, L.B.S. Marg, next to GE Gardens, Kanjurmarg (W), Mumbai 400 079, India. Furthermore, unless the context otherwise indicates, all references to the terms "**we**", "**us**" and "**our**" are to our Company and our Subsidiaries (as defined below) on a consolidated basis.*

*The words and expressions used but not defined in this Prospectus will have the same meaning as assigned to such terms under the Companies Act 2013, the Securities and Exchange Board of India Act, 1992, as amended (the "**SEBI Act**"), the Securities Contracts (Regulation) Act, 1956, as amended (the "**SCRA**"), the Depositories Act, 1996, as amended (the "**Depositories Act**") and the rules and regulations made thereunder.*

*Notwithstanding the foregoing, terms in "**Main Provisions of the Articles of Association**", "**Statement of Special Tax Benefits**", "**Industry Overview**", "**Key Regulations and Policies in India**", "**Financial Statements**", "**Outstanding Litigation and Material Developments**" and "**Government and Other Approvals**", on pages 340, 97, 103, 167, 201, 298 and 303, respectively, will have the meaning ascribed to such terms in these respective sections.*

Company Related Terms

Term	Description
AoA/ Articles of Association or Articles	The articles of association of our Company, as amended
Audit Committee	The audit committee of our Board, as described in ***"Our Management"*** on page 178
Auditors/ Statutory Auditors	The statutory auditors of our Company, being Deloitte Haskins & Sells LLP
Board or Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
Buzil	Buzil-WERK Wagner GmBH & Co. KG
Buzil Rossari	Buzil Rossari Private Limited
Chief Executive Officer/CEO	Chief executive officer of our Company
Chief Financial Officer/ CFO	Chief financial officer of our Company
CSR Committee	The corporate social responsibility committee of our Board, as described in ***"Our Management"*** on page 178
Dahej Manufacturing Facility	Our under-construction manufacturing facility located at Dahej, Gujarat
Director(s)	The director(s) on our Board of Directors
Equity Shares	The equity shares of our Company of face value of ₹ 2 each
ESOP Scheme	The employee stock option scheme formulated by our Company, namely, Rossari Employee Stock Option Plan - 2019
Executive Chairman	Mr. Edward Menezes
F&S	Frost & Sullivan (India) Private Limited
F&S Report	Report titled "*Global and Indian Specialty Chemicals Report*" dated December 10, 2019, prepared by F&S
GPIPL	Glad Properties (India) Private Limited
Group Companies	In terms of SEBI ICDR Regulations, the term "group companies" includes companies (other than our Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy, as described in "***Our Group Companies***" on page 197
Independent Director	Independent director(s) on our Board and eligible to be appointed as independent directors under the provisions of the Companies Act 2013 and the SEBI Listing

Term	Description
	Regulations. For details of the Independent Directors, see "***Our Management***" on page 178
IPO Committee	The IPO committee of our Board constituted to facilitate the process of the Offer
Joint Venture Agreement	The joint venture agreement dated January 16, 2014 entered between our Promoters and BUZIL-WERK Wagner GmbH & Co. KG, and as amended by an addendum cum deed of adherence dated October 17, 2018 entered between our Company, our Promoters, BUZIL-WERK Wagner GmbH & Co. KG and Buzil Rossari
KMP/ Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and as described in "***Our Management***" on page 178
Materiality Policy	The policy adopted by our Board on November 29, 2019 for identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations. Further, our Board in its meeting held on June 11, 2020 has duly approved the readjustment of thresholds with the updated financial information as of March 31, 2020
MoA/ Memorandum of Association	The memorandum of association of our Company, as amended
Mr. Edward Menezes	Our promoter, Mr. Edward Walter Menezes
Mr. Sunil Chari	Our promoter, Mr. Sunil Srinivasan Chari
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in ***"Our Management"*** on page 178
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in "***Promoter and Promoter Group***" on page 193
Promoters	The promoters of our Company, namely, Mr. Edward Menezes and Mr. Sunil Chari
Registered and Corporate Office	The registered and corporate office of our Company, situated at 201 A - B, 2nd Floor, Akruti Corporate Park, L.B.S. Marg, next to GE Gardens, Kanjurmarg (W), Mumbai 400 079, India
RBIPL	Rossari Biotech (India) Private Limited
Restated Financial Statements	Restated consolidated financial information of our Company, our Subsidiary (Rossari Personal Care) and joint venture which comprises of the restated consolidated statements of assets and liabilities as at and for the Financial Years ended March 31, 2020, 2019 and 2018, the restated consolidated statements of profit and loss (including other comprehensive income), the restated consolidated statement of change in equity and restated consolidated cash flow statement for the Financial Years ended March 31, 2020, 2019 and 2018, the summary statement of significant accounting policies and other explanatory information, for our Company, our Subsidiary (Rossari Personal Care) and joint venture, read along with all the schedules and notes thereto included in "***Financial Statements***" on page 201
RMIPL	Rossari Manuchar (India) Private Limited
RoC/ Registrar of Companies	Registrar of Companies, Maharashtra, at Mumbai
Rossari Personal Care	Rossari Personal Care Products Private Limited (formerly known as Neutron Impex Private Limited)
RSCPL	Rossari Speciality Chemicals Private Limited
Selling Shareholder(s) / Promoter Selling Shareholder(s)	Mr. Edward Menezes and Mr. Sunil Chari
Shareholders	The holders of the Equity Shares from time to time
Silvassa Manufacturing Facility	Our operational manufacturing facility located at Silvassa, union territory of Dadra and Nagar Haveli
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board, as described in ***"Our Management"*** on page 178

Term	Description
Subsidiaries	Subsidiaries of our Company, namely, Rossari Personal Care Products Private Limited (formerly known as Neutron Impex Private Limited) and Buzil Rossari Private Limited*, as described under "***History and Certain Corporate Matters – Subsidiaries of our Company***" on page 176 **References to our "Subsidiaries" in this Prospectus includes Buzil Rossari, except in the Restated Financial Statements and the related financial information included in this Prospectus where Buzil Rossari is accounted for as a joint venture of our Company in accordance with Ind AS 28 'Investment in Associates and Joint Ventures' and Ind AS 111 'Joint Arrangements'.*
Technology License Agreement	Technology license and service agreement between Buzil and our Company dated October 16, 2013

Offer Related Terms

Term	Description
Acknowledgment Slip	The slip or document issued by the respective Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotted/Allotment/Allot	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Fresh Issue and transfer of Equity Shares offered by the Selling Shareholders pursuant to the Offer for Sale to successful Bidders
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A QIB, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors were submitted and allocation to the Anchor Investors was completed, being July 10, 2020
Anchor Investor Offer Price	The final price at which Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and this Prospectus, which is a price equal to or higher than the Offer Price but not higher than the Cap Price, in this case being ₹ 425 per Equity Share
Anchor Investor Portion	Up to 60% of the QIB Category which was allocated by our Company and the Selling Shareholders in consultation with the BRLMs, to Anchor Investors, on a discretionary basis in accordance with the SEBI ICDR Regulations. One third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors, which price shall be determined by the Company and the Selling Shareholders in consultation with the BRLMs
Application Supported by Blocked Amount/ ASBA	The application (whether physical or electronic) by a Bidder (other than Anchor Investors) to make a Bid authorizing the relevant SCSB to block the Bid Amount in the relevant ASBA Account and includes amounts blocked by SCSBs upon acceptance of UPI Mandate Request
ASBA Account	A bank account maintained with an SCSB and specified in the Bid cum Application Form which has been blocked by such SCSB to the extent of the appropriate Bid Amount in relation to a Bid by a Bidder (other than a Bid by an Anchor Investor) and includes a bank account maintained by a Retail Individual Investor linked to a UPI ID, which has been blocked in relation to a Bid by a Retail Individual Investor Bidding through the UPI Mechanism
ASBA Bidders	All Bidders except Anchor Investor
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders bidding through the ASBA process, which has been considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Axis	Axis Capital Limited
Banker(s) to the Offer	Collectively, the Escrow Bank(s), Refund Bank(s), Public Offer Account Bank(s) and the Sponsor Bank

Term	Description
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in "***Offer Procedure***" on page 324
Bid	An indication to make an offer during the Bid/Offer Period by a Bidder (other than an Anchor Investor), or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of a Bid cum Application Form, to subscribe for or purchase our Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term 'Bidding' shall be construed accordingly.
Bid Amount	The highest value of the Bids as indicated in the Bid cum Application Form and payable by the Bidder or as blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer
Bid cum Application Form	The form in terms of which the Bidder was required to make a Bid, including an ASBA Form, and which has been considered as the application for the Allotment of Equity Shares pursuant to the terms of the Red Herring Prospectus and this Prospectus
Bid Lot	35 Equity Shares and in multiples of 35 Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries did not accept any Bids, being July 15, 2020, which was published in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and all editions of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Mumbai, where our Registered and Corporate Office is located)
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries could start accepting Bids, being July 13, 2020, which was published in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and all editions of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Mumbai, where our Registered and Corporate Office is located)
Bid/Offer Period	Except in relation to Bids received from the Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days during which prospective Bidders (excluding Anchor Investors) could submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus
Bidder	Any investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries accepted the Bid cum Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	The book building process as described in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer was made
Book Running Lead Managers/ BRLMs	The book running lead managers to the Offer, in this case being Axis and I-SEC
Broker Centres	Broker centres of the Registered Brokers where Bidders (other than Anchor Investors) could submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the respective websites of the Stock Exchanges
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, on or after the Anchor Investor Bidding Date
Cap Price	The higher end of the Price Band above which the Offer Price and Anchor Investor Offer Price could not be finalized and above which no Bids were accepted, including any revisions thereof, in this case being ₹ 425 per Equity Share

Term	Description
Circulars on Streamlining of Public Issues	Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
Client ID	Client identification number of the Bidder's beneficiary account
Collecting Depository Participants/CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered with SEBI Act and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Collecting Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	The Offer Price, finalized by our Company in consultation with the BRLMs, which could be any price within the Price Band, in this case being ₹ 425 per Equity Share. Only Retail Individual Investors were entitled to bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors were not entitled to Bid at the Cut-off Price
Demographic Details	The details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, and bank account details and UPI ID, as applicable
Designated CDP Locations	Such centres of the Collecting Depository Participants where Bidders (except Anchor Investors) could submit the ASBA Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs are available on the respective websites of the Stock Exchanges and updated from time to time
Designated Date	The date on which the funds from the Escrow Account are transferred to the Public Offer Account or the Refund Account, as appropriate, and the relevant amounts blocked in the ASBA Accounts are transferred to the Public Offer Account(s) and /or are unblocked, as applicable, in terms of the Red Herring Prospectus and this Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer
Designated Intermediaries	Collectively, the members of the Syndicate, sub-syndicate members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who were authorized to collect Bid cum Application Forms from the Bidders (other than Anchor Investors), in relation to the Offer
Designated RTA Locations	Such centres of the RTAs where Bidders (except Anchor Investors) could submit the Bid cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which could collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	BSE
DP	Depository Participant
DP ID	Depository Participant's identity number
Draft Red Herring Prospectus/DRHP	The draft red herring prospectus dated December 18, 2019 filed with SEBI and issued in accordance with the SEBI ICDR Regulations, which did not contain

Term	Description
	complete particulars of the price at which our Equity Shares are offered and the size of the Offer
Eligible NRI(s)	A non-resident Indian, resident in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Red Herring Prospectus and the Bid Cum Application Form constitutes an invitation to subscribe or purchase for the Equity Shares
Escrow Account(s)	Account(s) opened with the Escrow Bank for the Offer and in whose favour the Anchor Investors transferred money through direct credit or NEFT or RTGS or NACH in respect of the Bid Amount when submitting a Bid
Escrow and Sponsor Bank Agreement	The agreement dated March 6, 2020 as amended by the amendment agreement dated July 9, 2020, entered into amongst our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, and Banker(s) to the Offer for collection of the Bid Amounts from Anchor Investors and where applicable remitting refunds, if any, to such Bidders, on the terms and conditions thereof
Escrow Bank	A bank, which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account has been opened, in this case being Axis Bank Limited
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name appears as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, at or above which the Offer Price and Anchor Investor Offer Price has been finalized and below which no Bids were accepted and which was not be less than the face value of the Equity Shares, in this case being ₹ 423 per Equity Share
Fresh Issue	Fresh issue of 1,176,470* Equity Shares by our Company aggregating to ₹ 500.00** million to be issued by our Company as part of the Offer, in terms of the Red Herring Prospectus and this Prospectus **Subject to finalisation of Basis of Allotment* ***Our Company has, in consultation with the BRLMs, undertaken a Pre-IPO Placement aggregating to ₹ 999.99 million. The size of the Fresh Issue of ₹ 1,500.00 million has been reduced by ₹ 999.99 million pursuant to the Pre-IPO Placement and accordingly, the size of the Fresh Issue was ₹ 500.00 million*
General Information Document	The general information document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018, the circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, the circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2019/121 dated November 8, 2019 and circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI and included in "***Offer Procedure***" on page 324
I-SEC	ICICI Securities Limited
Maximum RII Allottees	The maximum number of Retail Individual Investors who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Investors by the minimum Bid Lot
Monitoring Agency	Axis Bank Limited
Monitoring Agency Agreement	The agreement dated March 6, 2020 entered into between our Company and the Monitoring Agency
Mutual Fund Portion	5% of the QIB Category (excluding the Anchor Investor Portion) or 116,765* Equity Shares which was made available for allocation to Mutual Funds only, on a proportionate basis, subject to valid Bids being received at or above the Offer Price

Term	Description
	**Subject to finalisation of Basis of Allotment*
NBFC-SI	Systemically important non-banking financial company, as covered under Regulation 2(1)(ss)(xiii) of the SEBI ICDR Regulations
Net Proceeds	Proceeds of the Fresh Issue less Offer expenses to the extent applicable to the Fresh Issue. For further details, see "***Objects of the Offer***" on page 85
Non-Institutional Category	The portion of the Offer, being not less than 15% of the Offer or 1,751,471* Equity Shares, available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer Price **Subject to finalisation of Basis of Allotment*
Non-Institutional Investors/NIIs	All Bidders, including FPIs other than individuals, corporate bodies and family offices, registered with the SEBI that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Offer	The public issue of 11,676,470* Equity Shares of face value of ₹ 2 each for cash at a price of ₹ 425 each, aggregating to ₹ 4,962.50* million comprising the Fresh Issue** and the Offer for Sale **Subject to finalisation of Basis of Allotment* ***Our Company, in consultation with the BRLMs, has undertaken a Pre-IPO Placement. Accordingly, the Fresh Issue size has been reduced to the extent of such Pre-IPO Placement.*
Offer Documents	Collectively, the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus
Offer Agreement	The agreement dated December 18, 2019 entered into amongst our Company, the Selling Shareholders and the BRLMs
Offer Price	The final price (within the Price Band) at which Equity Shares will be Allotted to the successful Bidders (except Anchor Investors), as determined in accordance with the Book Building Process and determined by our Company in consultation with the BRLMs in terms of the Red Herring Prospectus on the Pricing Date
Offered Shares	10,500,000* Equity Shares offered as part of the Offer for Sale, comprising 5,250,000* Equity Shares by Mr. Edward Menezes and 5,250,000* Equity Shares by Mr. Sunil Chari **Subject to finalisation of Basis of Allotment*
Offer for Sale	The offer for sale of 10,500,000* Equity Shares aggregating to ₹ 4,462.50* million by the Selling Shareholders **Subject to finalisation of Basis of Allotment*
Pre-IPO Placement	Private placement of 2,352,920 Equity Shares by our Company, in consultation with the BRLMs, aggregating to ₹ 999.99 million. For further details in relation to the Pre-IPO Placement, see the section titled "***Capital Structure***" on page 71
Price Band	Price band ranging from a Floor Price of ₹ 423 per Equity Share to a Cap Price of ₹ 425 per Equity Share
Pricing Date	The date on which our Company in consultation with the BRLMs, finalized the Offer Price
Prospectus	This prospectus, dated July 16, 2020, to be filed with the RoC for this Offer on or after the Pricing Date in accordance with the provisions of Sections 26 and 32 of the Companies Act 2013 and the SEBI ICDR Regulations, including any addenda or corrigenda thereto and containing the Offer Price, the size of the Offer and certain other information
Public Offer Account	The bank account opened with the Public Offer Account Bank under Section 40(3) of the Companies Act 2013 to receive monies from the Escrow Account(s) and the ASBA Accounts on the Designated Date
Public Offer Account Bank	The bank with whom the Public Offer Account is opened for collection of Bid Amounts from the Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being Axis Bank Limited

Term	Description
QIB Category	The portion of the Offer, being not more than 50% of the Offer, or 5,838,234* Equity Shares, which shall be Allotted to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price **Subject to finalisation of Basis of Allotment*
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The red herring prospectus dated July 4, 2020 issued in accordance with Section 32 of the Companies Act 2013 and the SEBI ICDR Regulations which did not have complete particulars of the price at which the Equity Shares shall be allotted and was filed with the RoC at least three Working Days before the Bid/Offer Opening Date, read along with the corrigendum dated July 9, 2020
Refund Account	The account opened with the Refund Bank from which refunds, if any, of the whole or part of the Bid Amount shall be made to Anchor Investors
Refund Bank	The bank which is a clearing member registered with SEBI under the SEBI BTI Regulations, with whom the Refund Account has been opened, in this case being Axis Bank Limited
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012, issued by SEBI
Registrar Agreement	The agreement dated December 16, 2019, entered into between our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar to the Offer	Link Intime India Private Limited
Retail Category	The portion of the Offer, being not less than 35% of the Offer, or 4,086,765* Equity Shares, available for allocation to Retail Individual Investors, which shall not be less than the minimum Bid lot, subject to availability in the Retail Category **Subject to finalisation of Basis of Allotment*
Retail Individual Investors/ RIIs	Bidders (including HUFs and Eligible NRIs), whose Bid Amount for Equity Shares in the Offer was not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIBs bidding in the QIB category and Non-Institutional Investors bidding in the Non-Institutional category were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors could revise their Bids during Bid/ Offer period and withdraw their Bids until Bid/ Offer Closing Date
Self Certified Syndicate Banks or SCSBs	(i) The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35, as applicable, or such other website as updated from time to time, and (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40
Share Escrow Agent	Link Intime India Private Limited
Share Escrow Agreement	The agreement dated March 6, 2020 entered into by and among the Selling Shareholders, our Company and the Share Escrow Agent in connection with the

Term	Description
	transfer of the respective portion of the Offered Shares by each Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate accepted Bid cum Application Forms, a list of which will be included in the Bid cum Application Form
Sponsor Bank	The Banker to the Offer registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Investors and carry out any other responsibilities, in terms of the SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in this case being ICICI Bank Limited
Stock Exchanges	Together, the BSE and NSE
Syndicate Agreement	The agreement dated March 6, 2020 as amended by the amendment agreement dated July 9, 2020, entered into amongst the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer in relation to the collection of Bid cum Application Forms by the Syndicate
Syndicate Members	Intermediaries registered with the SEBI and permitted to carry out activities as an underwriter, in this case being Axis Capital Limited and ICICI Securities Limited
Syndicate or members of the Syndicate	Collectively, the BRLMs and the Syndicate Members
Underwriters	The Book Running Lead Managers and the Syndicate Members
Underwriting Agreement	The agreement dated July 16, 2020 entered into among our Company, the Selling Shareholders and the Underwriters
UPI	Unified Payments Interface which is an instant payment mechanism, developed by NPCI
UPI ID	Unified Payments Interface Identification
UPI Mandate Request	A request (intimating the Retail Individual Investors, by way of a notification on the UPI application and by way of a SMS directing the Retail Individual Investors to such UPI application) to the Retail Individual Investors initiated by the Sponsor Bank to authorise blocking of funds equivalent to the Bid Amount in the relevant ASBA Account through the UPI, and the subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that is used by Retail Individual Investors to make Bids in the Offer in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
UPI PIN	Password to authenticate UPI transaction
Working Day(s)	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/ Offer Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Bid/Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all trading days excluding Sundays and bank holidays in India, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018

Conventional and General Terms and Abbreviations

Term	Description
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under the SEBI AIF Regulations
Air Act	Air (Prevention and Control of Pollution) Act, 1981
BSE	BSE Limited
CA	Chartered Accountant
CAGR	Compounded Annual Growth Rate
CARO	Companies (Auditor’s Report) Order, 2016
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act 2013	The Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The Consolidated FDI Policy, effective from August 28, 2017, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
Copyright Act	Copyright Act, 1957
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
Debt to Equity Ratio	Net profit after tax, as restated attributable to equity shareholders divided by average net worth of opening & closing
Depositories Act	Depositories Act, 1996, read with the rules, regulations, clarifications and modifications thereunder
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depository Participant	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (*formerly Department of Industrial Policy and Promotion*), GoI
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
Environment Protection Act	Environment Protection Act, 1986
EOU	Export Oriented Unit
EPF	Employees’ Provident Fund
EPF Act	Employees’ Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI	Employees’ State Insurance
ESI Act	Employees’ State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) Account established in accordance with provisions of FEMA
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/fiscal/ Fiscal Year/ FY/ F.Y.	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
Fugitive Economic Offender(s)	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with the SEBI
GDP	Gross Domestic Product
GIDC	Gujarat Industrial Development Corporation
GoI/ Central Government	The Government of India
GST	Goods and services tax
HUF(s)	Hindu undivided family(ies)
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards

Term	Description
Income Tax Act	Income-tax Act, 1961
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act 2013 and referred to in the Ind AS Rules
Ind AS 24	Indian Accounting Standard 24 on Related Party Disclosure issued by the MCA
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR or Indian Rupees or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
IRDAI	Insurance Regulatory and Development Authority of India
MCA	The Ministry of Corporate Affairs, Government of India
MNCs	Multi-National Companies
Mutual Funds	Mutual funds registered with the SEBI under the SEBI (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NAV	Net asset value
NCR	National Capital Region
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-Resident Indian
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
Patent Act	The Patent Act, 1970
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Return on Capital Employed	Net operating profit divided by total assets minus current liabilities
RoC or Registrar of Companies	The Registrar of Companies, Maharashtra at Mumbai
RoNW / Return on Net Worth	RoNW is Net Profit after tax, as restated, attributable to equity shareholders divided by Average Net worth of opening & closing
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019

Term	Description
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEZ	Special Economic Zone
STT	Securities Transaction Tax
Trademarks Act	The Trade Marks Act, 1999
U S GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	United States Securities Act of 1933, as amended
US$ or USD or US Dollar	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VAT	Value Added Tax
VCF	Venture Capital Fund
Water Act	Water (Prevention and Control of Pollution) Act, 1974
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations

Industry Related Terms

Term	Description
AHN	Animal Health & Nutrition
APAC	Asia Pacific
Bn	Billion
BOD	Biochemical Oxygen Demand
COD	Chemical Oxygen Demand
COP	Conference of the Parties
EODB	Ease of Doing Business
EU	Europe
FMCG	Fast moving consumer goods
GFCE	Government Final Consumption Expenditure
GFCF	Gross Fixed Capital Formation
GMP	Good Manufacturing Process
GOTS	Global Organic Textile Standards
HPPC	Home, Personal Care and Performance Chemicals
ISO	International Standards Organization
Mn	Million
MT	Metric Tonnes
MTPA	Million Tonnes per Annum
Pdr	Powder
pH	Potential of Hydrogen
R&D	Research and Development
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
TDS	Total Dissolved Solids
TSC	Textile Specialty Chemicals
ZDHC	Zero Discharge of Hazardous Chemicals

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Prospectus to "**India**" are to the Republic of India. All references in this Prospectus to the "**U.S.**", "**USA**" or "**United States**" are to the United States of America.

Unless indicated otherwise, all references to page numbers in this Prospectus are to page numbers of this Prospectus.

Financial Data

Unless stated or the context requires otherwise, the financial data in this Prospectus is derived from our Restated Financial Statements. The Restated Financial Statements included in this Prospectus are as at and for the Financial Years ended March 31, 2020, March 31, 2019 and March 31, 2018, as prescribed under Section 133 of Companies Act 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act 2013 and the guidance notes issued by ICAI. For further information, see "***Financial Information***" on page 201.

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular fiscal or financial year are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are differences between the Ind AS, the International Financial Reporting Standards (the "**IFRS**") and the Generally Accepted Accounting Principles in the United States of America (the "**U.S. GAAP**"). Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with accounting standards in India, the Ind AS, the Companies Act 2013 and the SEBI ICDR Regulations, on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to quantify the differences between the financial data (prepared under Ind AS and IFRS/U.S. GAAP), nor have we provided a reconciliation thereof. We urge you to consult your own advisors regarding such differences and their impact on our financial data.

Unless the context otherwise indicates, any percentage amounts, as set forth in "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 24, 145 and 268, respectively, and elsewhere in this Prospectus have been calculated on the basis of our Restated Financial Statements.

Certain figures contained in this Prospectus, including our financial statements, have been subject to rounding-off adjustments. All decimals have been rounded off to two decimal points. In this Prospectus, any discrepancies in any table between the sums of the amounts listed in the table and totals are due to rounding off. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Industry and Market Data

For the purpose of confirming our understanding of the industry in connection with the Offer, we have commissioned a report titled "*Global and Indian Specialty Chemicals Report*" dated December 10, 2019 ("**F&S Report**") prepared by Frost & Sullivan (India) Private Limited ("**F&S**"). F&S has required us to include the following disclaimer in connection with the F&S Report:

"The market research process for this study has been undertaken thorough secondary / desktop research as well as primary research, which involves discussing the status of the market with leading participants and experts. The research methodology used is the Expert Opinion Methodology. Quantitative market information was sourced from interviews by way of primary research as well as from trusted portals, and therefore, the information is subject to fluctuations due to possible changes in the business and market climate. Frost & Sullivan's estimates

and assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.

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

This study has been prepared for inclusion in the draft red herring prospectus, red herring prospectus and the prospectus of "Rossari Biotech Limited" in relation to an initial public offering in connection with its listing on Indian stock exchanges.

This report and extracts thereof are for use in the draft red herring prospectus, red herring prospectus and the prospectus issued by the Company and all presentation materials (including press releases) prepared by or on behalf of the Company (and reviewed by Frost & Sullivan) in relation to the listing exercise. The company is permitted to use the same in internal and external communications as needed in the context of the Listing exercise. However, no part of the report may be distributed for any other commercial gain to parties not connected with the said Listing exercise.

This report has exclusively been prepared for the consumption of "Rossari Biotech Limited", and any unauthorised access to or usage of this material by others is forbidden and illegal.

Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken adequate care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the global and Indian specialty chemicals industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. Our research has been conducted with an "overall industry" perspective, and it will not necessarily reflect the performance of individual companies in the industry. Frost & Sullivan shall not be liable for any loss suffered because of reliance on the information contained in this study. This study should also not be considered as a recommendation to buy or not to buy the shares of any company or companies as mentioned in it or otherwise ".

Aside from the above, unless otherwise stated, industry and market data used throughout this Prospectus has been obtained from publicly available sources of industry data. Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Prospectus is reliable, it has not been independently prepared or verified by us, the Selling Shareholders or the Syndicate or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in this Prospectus is meaningful depends upon the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "***Risk Factors – Internal Risk Factors – We have commissioned reports, from F&S, which has been used for industry related data in this Prospectus and such data have not been independently verified by us*** " on page 45. Accordingly, investment decisions should not be based solely on such information.

Currency and Units of Presentation

All references to "**Rupees**" or "**₹**" or "**Rs.**" are to Indian Rupees, the official currency of the Republic of India. All references to "**U.S. Dollar**" or "**USD**" or "**US$**" are to United States Dollar, the official currency of the United States of America.

In this Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions, except where specifically indicated. One million represents 10 lakhs or 1,000,000 and ten million represents 1 crore or 10,000,000. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than millions in their respective sources, such figures appear in this Prospectus expressed in such denominations as provided in such respective sources.

Exchange Rates

This Prospectus contains translations of U.S. Dollar into Indian Rupees. These convenience translations should not be construed as a representation that those U.S. Dollars could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth as of the dates indicated, information with respect to the exchange rate between the Indian Rupee and the U.S. Dollar:

(in ₹)

Currency	Exchange Rate as on March 31, 2020	Exchange Rate as on March 31, 2019*	Exchange Rate as on, March 31, 2018**
1 US$	75.39	69.17	65.04

Source: www.rbi.org.in and www.fbil.org.in

Exchange rate as on March 29, 2019, as FBIL reference rate is not available for March 31, 2019 and March 30, 2019 being a Sunday and Saturday, respectively.

**Exchange rate as on March 28, 2018, as RBI reference rate is not available for March 31, 2018, March 30, 2018 and March 29, 2018 being a Saturday and public holidays, respectively.*

Notice to Prospective Investors in the United States

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of this Offer, including the merits and risks involved. The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**U.S. Securities Act**") or any state securities laws in the United States, and unless so registered, 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 in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'off-shore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward looking statements, which include statements with respect to our business strategy, our revenue and profitability, our goals and other matters discussed in this Prospectus regarding matters that are not historical facts. These forward looking statements include statements with respect to our business strategy, our expected revenue and profitability, our goals and other matters discussed in this Prospectus regarding matters that are not historical facts. These forward looking statements can generally be identified by words or phrases such as ***"aim", "anticipate", "believe", "expect", "estimate", "intend", "likely to", "objective", "plan", "propose", "project", "will continue", "seek to", "will pursue"*** or other words or phrases of similar import. Similarly, statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This could be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes in the industry we operate in and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India that may have an impact on our business or investments, monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates and prices, the general performance of Indian and global financial markets, changes in the competitive landscape and incidence of any natural calamities and/or violence. Significant factors that could cause our actual results to differ materially include, but are not limited to:

- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations;
- Any downturn in the textile industry or our inability to increase or effectively manage the sales;
- Any loss of our major institutional customers in our TSC and HPPC product categories or a reduction in their demand for our products;
- Any disturbance, slowdown or shutdown of the Silvassa Manufacturing Facility;
- Failure to comply with the quality standards and technical specifications prescribed by our institutional customers;
- Increase in the cost of raw materials as a percentage of our revenue;
- Inability to develop and commercialize new products in a timely manner;
- Any decline in the demand for our customer's product;
- Loss of one or more of the customers or a reduction in their demand for our products, considering we do not have any long term agreements with most of them;
- Ability to protect our patents, trademarks, our technical know-how and trade secrets against third parties; and
- Inability to expand or effectively manage our distribution network.

For a further discussion of factors that could cause our actual results to differ, see "***Risk Factors***", "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 24, 145 and 268, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Prospectus and are not a guarantee of future performance. Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as the statements based on them could prove to be inaccurate.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Neither our Company, the Selling Shareholders, nor the Syndicate, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the requirements of SEBI, our Company and the BRLMs will ensure that investors in India are informed of material developments until the receipt of final listing and trading approvals for the Equity Shares pursuant to the Offer. Each Selling Shareholder (severally and not jointly) will ensure that investors in India are informed of material developments in relation to the statements relating to and undertakings confirmed or undertaken by such Selling Shareholder and its portion of the Offered Shares in this Prospectus, from the date thereof, until the receipt of final listing and trading approvals from the Stock Exchanges.

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Offer. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including the sections entitled "***Risk Factors***", "***Industry Overview***", "***Outstanding Litigation and Material Developments***", "***Promoter and Promoter Group***", "***Financial Statements***" "***Objects of the Offer***", "***Our Business***", "***Offer Procedure***" and "***Main Provisions of the Articles of Association***" on pages 24, 103, 298, 193, 201, 85, 145, 324 and 340, respectively.

Summary of Business

We are one of the leading specialty chemicals manufacturing companies in India based on sales for Fiscal 2019 (*Source: F&S Report*), providing customized solutions to specific industrial and production requirements of our customers primarily in the FMCG, apparel, poultry and animal feed industries through our diversified product portfolio comprising home, personal care and performance chemicals; textile specialty chemicals; and animal health and nutrition products. We operate in India as well as in 17 foreign countries including Vietnam, Bangladesh and Mauritius. According to the F&S Report, as on September 30, 2019, we are the largest manufacturer of textile specialty chemicals in India providing textile specialty chemicals in a sustainable, eco-friendly yet competitive manner.

For further details, see "***Our Business***" on page 145.

Summary of Industry

The specialty chemicals industry is driven by both domestic consumption and exports. Home and personal care chemicals, water chemicals, construction chemicals, etc. are areas where specialty chemicals find applications. The growth of the market is in conjunction with the overall growth of the Indian economy. Exports are on the rise as India is becoming a central manufacturing hub for such chemicals. Tightening of environmental norms (eg. REACH regulations) in developed countries and the slowdown of China are contributing to the growth of exports. The global economic growth has eased and is projected to plateau at 3.6% in near future, with some downside risks such as financial market stress, escalating trade protectionism and heightened geopolitical tensions. The growth in the advanced economies is expected to remain stable due to the effects of the US fiscal stimulus staying constant.

For further details, see "***Industry Overview***" on page 103.

Promoters

Our Promoters are Mr. Edward Menezes and Mr. Sunil Chari.

Offer Size

Offer	11,676,470* Equity Shares, aggregating ₹ to 4,962.50* million
of which	
Fresh Issue(1)	1,176,470* Equity Shares, aggregating to ₹ 500.00^ million
Offer for Sale(2)	10,500,000* Equity Shares, aggregating ₹ to 4,462.50* million (comprising 5,250,000* Equity Shares aggregating to ₹ 2,231.25* million by Mr. Edward Menezes and 5,250,000* Equity Shares aggregating to ₹ 2,231.25* million by Mr. Sunil Chari

**Subject to finalisation of Basis of Allotment*

^ *Our Company, in consultation with the BRLMs, has undertaken a private placement of Equity Shares aggregating to ₹ 999.99 million. Accordingly, the Fresh Issue size has been reduced to the extent of such Pre-IPO Placement.*

(1) The Offer has been authorized by our Board pursuant to its resolution dated November 12, 2019 and by a resolution of our Shareholders adopted at the meeting held on November 19, 2019.

*(2) Each of the Selling Shareholders confirms that it has authorized the sale of its respective portion in the Offer for Sale. For details see "**Other Regulatory and Statutory Disclosures**" on page 307.*

The Offer constitutes 22.49% (subject to finalisation of Basis of Allotment) of the post-Offer paid up equity share capital of our Company.

Objects of the Offer

The Net Proceeds and the proceeds from the Pre-IPO Placement are proposed to be used in accordance with the details provided in the following table:

Particulars	Amount* (₹ in million)
Repayment/prepayment of certain indebtedness availed by our Company (including accrued interest)	650.00
Funding working capital requirements	500.00
General corporate purposes**	287.36

**Our Company, in consultation with the BRLMs, has undertaken a private placement of Equity Shares aggregating to ₹ 999.99 million. Accordingly, the Fresh Issue size has been reduced to the extent of such Pre-IPO Placement.*
***The aggregate amount utilised for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue and the proceeds from the Pre-IPO Placement.*

Pre-Offer shareholding of the Promoters / Selling Shareholders and the Promoter Group

The equity shareholding of our Promoters / Selling Shareholders and the Promoter Group as on the date of this Prospectus and the percentage of pre-Offer equity share capital (including the maximum number of Equity Shares held by such Selling Shareholder) is set forth below:

S. No.	Category of Shareholder	Pre-Offer Equity Shares of face value of ₹ 2 each	Percentage of pre-Offer equity share capital (%)
	Promoter (also the Selling Shareholders)		
1.	Mr. Edward Menezes	21,368,820	42.10
2.	Mr. Sunil Chari	21,339,320	42.05
	Total	**42,708,140**	**84.15**
	Promoter Group		
1.	Ms. Jyotishna Chari	1,000,330	1.97
2.	Ms. Anita Menezes	1,002,630	1.98
3.	RBIPL	3,016,200	5.94
4.	Mr. Mikhail Menezes	133,200	0.26
5.	Mr. Yash Chari	165,000	0.33
6.	Menezes Family Trust	110,000	0.22
7.	Chari Family Trust	110,000	0.22
	Total	**48,245,500**	**95.06**

Summary of Consolidated Financial Information

(₹ in million)

Particulars	Fiscal 2020	Fiscal 2019	Fiscal 2018
Share capital	101.51	44.00	44.00
Net worth	2,866.79	1,238.12	870.80
Total income	6,038.18	5,171.24	3,004.29
Profit/(loss) after tax	652.53	456.83	254.03
Earnings per share (basic) (in ₹)	13.42	9.44	5.25
Earnings per share (diluted) (in ₹)	13.23	9.44	5.25
Net asset value per equity share (in ₹)	56.48	25.58	17.99
Total borrowings	669.29	45.29	209.48
Current borrowings	270.52	32.70	188.33
Non-current borrowings	339.60	6.73	12.87
Current portion of non-current borrowings (including interest accrued and due on borrowings)	59.17	5.86	8.28

Qualifications of the Auditors which have not been given effect to in the Restated Financial Statements

Our Statutory Auditors have not made any qualifications in the examination report that have not been given effect to in the Restated Financial Statements.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, our Promoters, our Directors and our Subsidiaries and our Group Companies as on the date of this Prospectus is provided below:

Name of Entity*	Criminal proceedings	Tax proceedings (including property tax)	Statutory or regulatory proceedings	Material civil litigation	Aggregate amount involved (₹ in million)**
Company					
By the Company	*1*	*Nil*	*Nil*	*Nil*	*1.07*
Against the Company	*Nil*	*1*	*Nil*	*1*	*27.44*
Directors					
By the Directors	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Against the Directors	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Promoters					
By the Promoters	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Against the Promoters	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Subsidiaries					
By the Subsidiaries	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Against the Subsidiaries***	*Nil*	*Nil*	*Nil*	*1*	*20.00*
Total	**1**	**1**	***Nil***	**1**	**28.51**

**There is no pending litigation involving our Group Companies which will have a material impact on our Company.*
***To the extent quantifiable.*
**** Both our Company and our Subsidiary, Buzil Rossari have been named parties in the same suit.*

For further details of the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" on page 298.

Risk factors

For further details, see "***Risk Factors***" on page 24.

Summary of contingent liabilities of our Company

The following is a summary table of our contingent liabilities as of March 31, 2020:

(₹ in million)

Particulars	As of March 31, 2020
Nil	--
Total	--

For further details, see "***Financial Statements***" on page 201.

Summary of Related Party Transactions

(₹ in million)

Particulars		Fiscals		
Nature of transaction	**Related parties with whom transactions have taken place**	**2020**	**2019**	**2018**
Transactions:				
Remuneration	Mr. Sunil Chari	7.35	5.37	9.07
Remuneration	Mr. Edward Menezes	7.35	5.37	9.07
Sales	Buzil Rossari Private Limited	214.69	124.25	-
Royalty Income	Buzil Rossari Private Limited	4.04	2.79	-
Rent paid	Mr. Sunil Chari	1.55	2.48	2.94
Rent paid	Edward Menezes	2.48	4.34	4.33
Rent paid	Ms. Jyotishna Chari	0.93	1.86	1.39
Rent paid	Glad Properties (India) Private Limited	0.49	0.84	0.84
Expenditure reimbursed	Buzil Rossari Private Limited	14.18	-	-
Vehicle hire charges	Mr. Sunil Chari	0.07	0.14	0.14
	Mr. Edward Menezes	0.07	0.14	0.14
Salary	Mr. Mikhail Menezes	5.09	3.55	2.82
Salary	Mr. Yash Chari	5.01	0.86	0.77
Dividend paid	Ms. Jyotishna Chari	0.48	1.91	1.91
Dividend paid	Mr. Mikhail Menezes	0.08	0.30	0.30
Dividend paid	Mr. Yash Chari	0.08	0.30	0.30
Dividend paid	Rossari Biotech (India) Private Limited	1.37	5.48	5.48
Dividend paid	Mr. Sunil Chari	9.76	39.05	39.05

Particulars		Fiscals		
Nature of transaction	**Related parties with whom transactions have taken place**	**2020**	**2019**	**2018**
Transactions:				
Dividend paid	Mr. Edward Menezes	9.76	39.05	39.05
Dividend paid	Ms. Anita Menezes	0.48	1.91	1.91
Sitting fees	Ms. Anita Menezes	0.10	0.06	-
Sitting fees	Ms. Jyotishna Chari	0.10	0.06	-
Interest payable	Rossari Biotech (India) Private Limited	0.92	-	-
Interest receivable	Buzil Rossari Private Limited	8.41	5.07	-
Commission paid	Buzil Rossari Private Limited	26.88	14.04	-
Loans taken	Rossari Biotech (India) Private Limited	6.57	-	-
Loans taken	Mr. Sunil Chari	-	-	4.38
Loans taken	Ms. Jyotishna Chari	-	-	0.04
Loans taken	Mr. Edward Menezes	-	-	4.22
Loans taken	Ms. Anita Menezes	-	-	0.04
Loans taken	Mr. Mikhail Menezes	-	-	0.50
Loans taken	Ms. Usha Chari	-	-	-
Loans taken	Buzil Rossari Private Limited	-	31.25	-
Loans taken	Rossari Manuchar (India) Private Limited	0.49	-	-
Loan repaid	Mr. Sunil Chari	-	-	11.17
Loan repaid	Ms. Jyotishna Chari	-	-	0.10
Loan repaid	Mr. Edward Menezes	-	-	9.38
Loan repaid	Ms. Anita Menezes	-	-	0.44
Loan repaid	Ms. Usha Chari	-	-	-
Loan repaid	Rossari Biotech (India) Private Limited	18.80	-	-
Loan repaid	Buzil Rossari Private Limited		51.70	-
Loan repaid	Rossari Manuchar (India) Private Limited	0.49	-	-
Refund of Security Deposit	Glad Properties (India) Private Limited	1.50	-	-
Refund of Security Deposit	Mr. Sunil Chari (Eden bungalow)	0.75	-	-
Refund of Security Deposit	Ms. Jyotishna Chari (Eden bungalow)	0.75	-	-
Outstanding balances:				
Security deposits (asset)	Glad Properties (India) Private Limited	-	1.50	1.50
Security deposits (asset)	Mr. Sunil Chari (Eden bungalow)	-	0.75	0.75
Security deposits (asset)	Ms. Jyotishna Chari	-	0.75	0.75
Receivables	Rossari Speciality Chemicals Private Limited	-	0.02	-
Receivables	Buzil Rossari Private Limited	59.04	71.39	-
Payables	Rossari Manuchar (India) Private Limited	-	-	0.26
Payables	Mr. Sunil Chari	-	-	1.65
Payables	Mr. Edward Menezes	-	-	-
Payables	Mr. Mikhail Menezes	-	-	0.50
Payables	Ms. Jyotishna Chari	-	-	1.85
Payables	Ms. Anita Menezes	-	-	0.67
Loans	Rossari Biotech (India) Private Limited	-	11.58	-

For further details of the related party transactions and as reported in the Restated Financial Statements, see "***Financial Information***" on page 201.

Financing arrangements

There have been no financing arrangements whereby our Promoter, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of business, of the financing entity during a period of six months immediately preceding the date of this Prospectus.

Weighted average price at which the Equity Shares were acquired by the Promoters and each of the Selling Shareholders in the one year preceding the date of this Prospectus

The weighted average price at which Equity Shares were acquired by the Promoters and each of the Selling Shareholders in the one year preceding the date of this Prospectus is:

Name	No. of Equity Shares acquired	Weighted average price per Equity Share (in ₹)*
Promoters (also the Selling Shareholders)		
Mr. Edward Menezes	11,655,720	Nil
Mr. Sunil Chari	11,655,720	Nil

**As certified by JMT & Associates, by way of their certificate dated July 4, 2020.*

Average cost of acquisition of Equity Shares of the Promoters and each members of the Selling Shareholders

The average cost of acquisition per Equity Share by our Promoters and each of the Selling Shareholders as on the date of this Prospectus is:

Name	No. of Equity Shares held	Average cost of acquisition per equity share (in ₹)*
Promoters (also the Selling Shareholders)		
Mr. Edward Menezes	21,368,820	4.16
Mr. Sunil Chari	21,339,320	4.17

**As certified by JMT & Associates, by way of their certificate dated July 4, 2020.*

Details of pre-IPO placement

Our Company, in consultation with the BRLMs, has undertaken a further issue of Equity Shares, by way of a private placement to any other person, aggregating to ₹ 999.99 million ("**Pre-IPO Placement**"). Accordingly, the Fresh Issue size has been reduced to the extent of such Pre-IPO placement. For further details in relation to the Pre-IPO Placement, including the names of the allottees, see the section titled "***Capital Structure***" on page 71.

Issue of equity shares for consideration other than cash in the last one year

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Prospectus, except as set forth below.

Date of allotment	Names of allottees	Reason/nature of allotment	No. of Equity Shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
December 12, 2019	11,655,720 Equity Shares each to Mr. Edward Menezes and Mr. Sunil Chari, 571,680 Equity Shares each to Ms. Jyotishna Chari and Anita Menezes, 1,645,200 Equity Shares to RBIPL, 90,000 Equity Shares each to Mr. Mikhail Menezes and Mr. Yash Chari and 60,000 Equity Shares each to the Menezes Family Trust and the Chari Family Trust	Bonus issue in the ratio of 6 Equity Shares for every 5 Equity Shares held on the record date, i.e. December 11, 2019	26,400,000	2	NA	Other than cash

Split/ Consolidation of equity shares in the last one year

Pursuant to the shareholders' resolution dated November 19, 2019, each equity share of the Company of face value of ₹ 10 each was split in 5 equity shares of face value of ₹ 2 each, therefore an aggregate of 5,000,000 issued and paid up equity shares of ₹ 10 each were split into 25,000,000 equity shares of ₹ 2 each. Accordingly 4,400,000 paid-up equity shares of face value of ₹ 10 each was split into 22,000,000 Equity Shares of face value of ₹ 2 each.

Other than the above, our Company has not undertaken a split or consolidation of Equity Shares in one year preceding the date of this Prospectus.

SECTION II - RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, but also to the industry and segments in which we currently operate or propose to operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our businesses, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. The risk factors set forth below are not exhaustive and do not purport to be complete or comprehensive in terms of all risk factors that may arise in connection with to our business or any decisions to purchase own or dispose of Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with "**Our Business**", "**Industry Overview**" and "**Management's Discussions and Analysis of Financial Condition and Results of Operations**" on pages 145, 103 and 268, respectively, as well as the financial, statistical and other information contained in this Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.*

*Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. For details, see "**Forward-Looking Statements**" on page 16.*

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.

Internal Risk Factors

Risks Relating to our Business

1. ***The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.***

   In late calendar 2019, COVID-19, commonly known as "novel coronavirus" was first reported in Wuhan, China. Since then, the virus has progressively spread globally to many countries. The World Health Organization declared the COVID-19 outbreak as a health emergency of international concern on January 30, 2020 and thereafter categorised the outbreak as a pandemic on March 11, 2020.

   In order to contain the spread of COVID-19 virus, the Government of India initially announced a 21-day lockdown on March 24, 2020, which, after being subject to successive extensions, is being relaxed currently. During the duration of the lockdown, there were several restrictions in place including travel restrictions and directive to all citizens to not move out of their respective houses unless essential. Whilst the lockdown required private, commercial and industrial establishments to remain closed, manufacturing units of essential commodities were permitted to be functional. Since certain of our products such as sanitizers and disinfectants were categorised as essential items, manufacturing at our Silvassa facility was not shut down. However, during the initial stages of the lockdown our business operations were temporarily disrupted and we faced limited availability of labour, supply chain constraints and logistical problems, thereby causing our Silvassa facility to operate at a sub-optimal capacity in the month of April 2020. We also faced limitation on transportation of our products from our manufacturing facility at Silvassa and the operation of our offices and branches were also adversely affected amidst the lockdown and public transport restrictions. Due to the rising number of infected cases of COVID-19 in the country, there is no certainty if additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of the pandemic. We cannot assure you that we may not face any difficulty in our operations due to such restrictions and such prolonged instances of lockdown may adversely affect our business, financial condition and results of operations.

Further, our ability to ensure the safety of our workforce and continuity of operations while confirming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employees contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire manufacturing facility or our offices and branches, as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, offices, loss of life, injuries and impact the well-being of our employees.

The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in India and globally, the eventual level of infections in India or in the regions in which we operate, and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition.

As on the date of this Prospectus, while we have seen a higher demand of hygiene products, there is significant uncertainty on the impact of COVID-19 on global and Indian economy and we may not be able to accurately predict its near term or long term impact on our business. To the extent that the COVID-19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section.

2. ***Our Company is reliant on the demand from the textile industry for a significant portion of our revenue. Any downturn in the textile industry or an inability to increase or effectively manage our sales could have an adverse impact on our Company's business and results of operations.***

We are the largest manufacturer of textile specialty chemicals in India (*Source: F&S Report*) and our business and financial performance is significantly dependent on sale of specialty chemicals to Indian textile manufacturers and export of our specialty chemicals to textile manufacturers in Bangladesh, Vietnam, and other global markets. In Fiscals 2020, 2019 and 2018 revenue from sale of TSC products represented 43.71%, 52.13% and 71.54% respectively, of our revenue from operations. As a result of our dependence on the textile industry, our sales volumes, profitability and liquidity are closely tied to the demand for textiles in India and globally and a slowdown in the textile industry may result in a reduction in the volume of our textile chemicals business, which could materially and adversely affect our business, financial condition and results of operations.

Due to COVID-19 pandemic, there may be have been a temporary reduction in demand for textiles in India and globally and there may have been an overall slowdown in the industry. Further, such pandemic situations may also arise in the future and that could materially and adversely affect our business, financial condition and results of operations.

The textile industry is cyclical in nature and is sensitive to general economic conditions and factors such as consumer demand, consumer confidence, inflation, employment, disposable income levels and demographic trends. Further, according to the F&S Report, 75.5 % of the textile market in India is the unorganized segment, which tends to be highly price sensitive. Due to the large unbranded textile segment in India, the textile specialty chemical market in India is fragmented and largely unorganized and comprises a total of 500 large and small manufacturers in India (*Source: F&S Report*). As a result of the fragmentation, the textile specialty chemical industry in India is very cost competitive and a number of textile chemicals have become commoditized. While we focus on eco-friendly and sustainable chemicals for the entire value-chain of the textile industry (except dyes), we cannot assure you that in the event of a slowdown in the textile industry our customers will not opt for cheaper alternatives offered by our competitors. These and other factors may negatively contribute to changes in the prices of and demand for our textile chemical products in India and may adversely affect our business, results of operations and financial condition.

3. ***We derive a significant portion of our revenue from a few major institutional customers in our TSC and HPPC product categories. Any loss of our major customers or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows.***

A majority of our revenue from operations is from sales to our institutional customers in the TSC and HPPC product categories. Revenue from sale of HPPC and TSC products cumulatively constituted 90.52%, 90.00%, and 90.17% of our revenue from operations for Fiscals 2020, 2019 and 2018, respectively, within which we depend on a limited number of customers for a significant portion of our revenues. Revenue from our top five customers across product categories constituted 43.95% of our revenue from operations for Fiscal 2020. Revenue from our top 10 customers across product categories constituted 53.72% of our revenue from operations for Fiscal 2020.

Reliance on a limited number of customers for our business may generally involve several risks. These risks may include, but are not limited to, reduction, delay or cancellation of orders from our significant customers, failure to negotiate favourable terms with our key customer, the loss of these customers, all of which would have a material adverse effect on the business, financial condition, results of operations, cash flows and future prospects of our Company. Further, there is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers. In order to retain some of our existing customers, we may also be required to offer terms to such customers which we may place restraints on our resources. Additionally, our revenues may be adversely affected if there is an adverse change in any of our customers' supply chain strategies or a reduction in their outsourcing of products we offer, or if our customers decide to choose our competitors over us or if there is a significant reduction in the volume of our business with such customers.

We enjoy relationships in excess of five years with 12 out of our top 15 customers. Maintaining strong relationships with our key customers is, therefore, essential to our business strategy and to the growth of our business. Some of our customers may place demands on our resources or may require us to undertake additional obligations which have the effect of increasing our operating costs and therefore affect our profitability. Further, a decline in our customers' business performance may lead to a corresponding decrease in demand for our products. Consequently, the loss of any existing key customer and our inability to acquire new customers, may significantly affect our revenues, and we may have difficulty securing comparable levels of business from other customers or secure new customers to offset any loss of revenue from the loss of any of our existing key customers. As a consequence of our reliance on such customers, any adverse change in the financial condition of these customers may also have an adverse effect on our business, financial condition, results of operations, cash flows and future benefits.

Furthermore, we typically do not have firm commitment in the form of long-term supply agreements with our key customers and instead rely on purchase orders to govern the volume and other terms of our sales of products. For further details see "***-We do not have any long term agreements with most of our customers, and the loss of one or more of them or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows"*** on page 29. Consequently, there is no commitment on the part of our key customers to continue to place new purchase orders with us and as a result, our cash flow and consequent revenue may fluctuate significantly from time to time. Further, we may not find any other customers for the surplus or excess capacity, in which case we may be forced to incur a loss.

4. Our manufacturing facility situated in Silvassa is critical for our business and any disturbance, slowdown or shutdown of our Silvassa Manufacturing Facility, may have an adverse impact on our business, results of operations and financial conditions.

We currently conduct our operations through our sole manufacturing facility located in Silvassa. This facility has an installed capacity of 120,000 MTPA. Our business is dependent on our ability to effectively manage our manufacturing facility, which is subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and natural disasters. The recent outbreak of the COVID-19 pandemic initially resulted in limited availability of labour, logistics and supply chain constraints due to which the manufacturing facility was operating at sub-optimal capacity utilization in the month of April. We depend on heavy and expensive machinery for manufacture of our products which are susceptible to damage due to the flammable, toxic and corrosive properties of certain chemicals used during the manufacturing process and any significant malfunction, breakdown and damage of our machinery may entail high repair and maintenance costs and cause delays in our operations. If we are unable to repair malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace them, which may adversely affect our business and results of operations. In addition, we may be required to carry out planned shutdowns of our facility for maintenance, statutory inspections and testing, or may shut down our facility for capacity expansion and equipment upgrades. We may also face protests from local citizens at our existing manufacturing facility or while setting up new facilities, which may delay or halt our operations. Further, our Silvassa Manufacturing Facility is strategically located close to some of our customers' facilities, which plays a significant role in aiding and nurturing a strong relationship with our customers. However, any of such customers may choose to relocate to a new location for business operations or there may be a disruption in the manufacturing operations of such customers in which case, our business, results of operations and financial condition may be adversely affected.

Our operations also require a significant amount and continuous supply of electricity, fuel, and water and any shortage or non-availability of such utilities may adversely affect our operations. Production of specialty chemicals, especially textile chemicals, requires large amount of water at various stages of processing. Further, certain chemicals used in our production process are required to be stored at specific temperatures, supported by continuous supply of electricity. Any interruption in the continuous supply of water and electricity may negatively impact the properties of such chemicals and adversely affect the quality of the final product manufactured by us, which may result in delays in delivery of our products or non-delivery, resulting in loss of revenue and damage to our reputation or customer relationship. A prolonged interruption of water or electricity supply can also result in production slowdown or shutdowns, increased costs associated with restarting production and the loss of production in progress.

Our operations expose our work force to work under potentially dangerous circumstances, with highly toxic, flammable and explosive chemicals. Despite compliance with requisite safety requirements and standards, our operations are subject to hazards associated with handling of such dangerous materials. If improperly handled or subjected to unsuitable conditions, these materials could hurt our employees or other persons, including resulting in death of such employees/ persons, cause damage to our properties as well as properties of others or harm the environment. In the past, there have been certain instances of injuries to our employees while handling such dangerous materials. For example, in 2014, we had a fatal accident at our Silvassa Manufacturing Facility, involving one of the contract workers engaged by us. Due to the nature of these materials, we may also be liable for certain costs related to injuries and/ or death arising from occupational exposure to hazardous materials, claims and litigation from current or former employees for such injuries or other hazards at our facility. Any incident or accidents could subject us to significant disruption in our business, legal and regulatory actions, which could adversely affect our business, financial condition and results of operations.

5. ***We are subject to strict technical specifications, quality requirements, regular inspections and audits by our institutional customers. Our failure to comply with the quality standards and technical specifications prescribed by such customers may lead to loss of business from such customers and could negatively impact our reputation, which would have an adverse impact on our business prospectus and results of operations.***

We primarily specialize in manufacture and supply of specialty chemicals and industrial enzymes to our institutional customers based on the technical specifications provided by them. Our products are used by our customers as raw material for a number of home and personal care products, including, soaps and detergents. Given the nature of our products and the sector in which we operate, our customers have high and exacting standards for product quality as well as delivery schedules. Adherence to quality standards is a critical factor in our manufacturing process as any defects in the products manufactured by our Company or failure to comply with the technical specifications of our customers may lead to cancellation of the orders placed by our customers.

Further, any failure to make timely deliveries of products in the desired quantity as per our customers' requirements could also result in the cancellation of orders placed by our customers and may adversely affect our reputation and goodwill. Additionally, prior to placing the orders, there is a detailed audit and review process that is undertaken by certain customers. This may involve inspection of the manufacturing facility, review of the manufacturing processes, review of the raw materials, review of our financial capabilities, technical review of the specification of the proposed product, review of our logistical capabilities, and multiple inspections and reviews of prototypes of the product. The finished product delivered by us is further subject to laboratory validation by certain customers. As per the purchase arrangements with certain large institutional customers, in the event our products do not comply with the specification provided by our customers or if there is a recall of our products by us, our supplies may be rejected and we may also be required to reimburse our customer for any losses suffered as a result of our non-compliance. We are therefore subject to a stringent quality control mechanism at each stage of the manufacturing process and are required to maintain the quality and precision level for each product. As a result, we are required to incur expenses to maintain our quality assurance systems such as periodic checking by the operators to ensure there is no defect from the previous stage operator, forming a separate team of engineers responsible for quality and assurance both in the manufacturing facility and machineries, and in the manufacturing processes. We will continue to spend a portion of our future revenues to manage our product quality and to maintain our quality control, a failure of which may negatively impact our profitability.

6. ***Increase in the cost of raw materials as a percentage of our revenue could have a material adverse effect on our results of operations and financial conditions.***

Our largest expense is our cost of raw materials. Our primary raw materials are acrylic acid, surfactants and silicone oil. Our cost of materials consumed represented 61.53%, 68.81% and 65.73% of our revenue from operations for Fiscals 2020, 2019 and 2018, respectively. We do not have long term agreements with any of our raw material suppliers and we acquire such raw materials pursuant to our purchase orders from suppliers as a result of which, we are required to forecast our supply and demand. Our inability to correctly forecast demand and supply may have a material adverse impact on our working capital, our business and our results of operations.

Raw material supply and pricing can be volatile due to a number of factors beyond our control, including demand and supply, general economic and political conditions, transportation and labour costs, natural disasters, pandemics, competition and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. Further, discontinuation of such supply or a failure of these suppliers to adhere to the delivery schedule or the required quality could hamper our production schedule and therefore affect our business and results of operations. There can be no assurance that demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials. If we were to experience a significant or prolonged shortage of raw materials from any of our suppliers, and we cannot procure the raw materials from other sources, we would be unable to meet our production schedules for our key products and to deliver such products to our customers in a timely manner, which would adversely affect our sales, margins and customer relations. Therefore, we cannot assure you that we will be able to procure adequate supplies of raw materials in the future, as and when we need them and on commercially acceptable terms.

Certain of our raw materials also include derivatives of crude oil, such as acrylic acid. The price of some of our raw materials is linked to a formula based on the international prices of crude oil. The price of crude oil globally has been volatile and increases in crude prices would have an impact on our cost of production. Resultant increases in costs of production, in order to remain profitable, could affect the volumes sold and consequently, would adversely affect our financial condition and results of operations.

Further, the price of our product is generally fixed at the time the purchase order is issued to us by our customer and therefore we may not be able to pass on an increase in raw material to our customers. We have also agreed to supply binding supply volumes under purchase arrangements with certain large institutional customers, which restricts our ability to reject certain volumes demanded by such customers. To the extent that we are unable to successfully manage related risks and secure adequate supplies of raw materials on commercially reasonable terms or to pass on price increases to our customers, our profitability may be adversely impacted.

7. ***Our success depends on our ability to develop and commercialize new products in a timely manner. If our research and development efforts do not succeed, the introduction of new products may be hindered, which could adversely impact our business, growth and financial condition.***

In order to remain competitive, we must develop, test and manufacture new products, which must meet the technical specifications and quality standards of our customers. We continuously seek to identify changing trends and introduce innovative products to value add and improve the functionality and properties of the products manufactured by our customers. To accomplish this, we commit substantial effort, funds and other resources towards our R&D activities and we have set- up a dedicated R&D centre at our Silvassa Manufacturing Facility and another one in Mumbai. Our Company spent ₹ 97.66 million, ₹ 67.91 million and ₹ 85.14 million towards R&D activities during Fiscals 2020, 2019 and 2018, respectively.

R&D in the specialty chemicals and industrial enzymes industry is expensive and prolonged and entails considerable uncertainty as to its returns and results. Our ongoing investments in new product launches and R&D for future products could result in higher costs without a proportionate increase in revenues. The process of developing new products takes us significant amount of time and investment from discovery through testing to initial product launch. There can be no assurance that our expenditure on R&D activities will yield proportionate results of substantial commercial value or commercially viable products may be developed or launched as a result of such R&D activities.

Before we can commercialize a new product, we must also simultaneously scale up our production and distribution networks to increase or change our production capacity. Our ability to successfully introduce a new and innovative products also depends on our ability to adapt and invest in new technologies. There can be no assurance that we will be able to scale up our production and distribution network, or make timely investments in technological improvements in order to commercialize new products in a timely manner. Further, research undertaken by competitors may lead to the launch of competing or improved products. Failure to predict and respond effectively to this competition could render our existing, new or candidate products less competitive in terms of price and quality. Delays or failure in developing new or commercially viable products could adversely affect our business, financial condition and results of operations.

8. ***Our commercial success depends on the success of our customer's products with end consumers. Any decline in the demand for our customer's products would adversely impact the demand for our products.***

Our products are used by our customers as raw materials in the production of textiles, soaps and detergents, paint and coatings and other specialty applications. Our commercial success also depends to a large extent on the success of our customers' products with end consumers. The success of the end products manufactured by our customers depends on our customers' ability to identify early on, and correctly assess consumer market preferences. We cannot assure you that our customers will correctly assess consumer preferences in a timely manner or that demand for goods in which our products are used will not decline. If the demand for the products in which our products are used declines, it could have a material adverse effect on our business, financial condition and results of operations.

9. ***We do not have any long term agreements with most of our customers, and the loss of one or more of them or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows.***

We typically do not have firm commitment long-term supply agreements with most our customers and instead rely on short term purchase orders to govern the volume and other terms of our sales of products, from our customers. The purchase orders we receive from our customers specify a price per unit, delivery schedule, and the quantities to be delivered, however, such orders may be amended or cancelled prior to finalisation, and should such an amendment or cancellation take place, it may adversely impact our revenue and production schedules.

In certain cases, we enter into framework agreements with our customers, which govern the terms of supply of our products. While the terms of these framework agreements do not specify the quantity and the price of the orders (which are governed by the individual purchase orders), the framework agreements do specify, among other things, the delivery terms, product quality guidelines, quality control mechanism, guidelines on using trademarks, penalties for delay and product liability related provisions. While the framework agreements have a fixed term, the terms of these agreements usually allow our customers to terminate these agreements by providing a prior written notice. If we are not able to comply with the terms and conditions of the framework agreements, our customer may terminate these framework agreements, which may impact on supplies and adversely impact our revenue.

Additionally, certain customers have high and stringent standards for product quantity and quality as well as delivery schedules. Any failure to meet our customers' expectations and specifications could result in the cancellation or non-renewal of contracts or purchase orders. There are also a number of factors, other than our performance that could cause the loss of a customer. Customers may demand, among others, price reductions, setoff any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition.

Accordingly, 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 a significant customer could adversely affect our results of operations by reducing our sales volume, as well as by possibly causing delay in our customers' paying us for the order placed for purchasing the inventory with us which we would have manufactured for them. We may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss.

In addition, 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 limit our ability to maximize utilization of our manufacturing capacity. The requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. We often increase staffing, increase capacity and incur other expenses to meet the anticipated demand of our customers, which could cause reductions in our margins if an order gets delayed or cancelled or modified.

10. Our business depends on our ability to protect our patents, trademarks, our technical know-how and trade secrets against third parties. Our ability to compete effectively will be impaired if we fail to protect our brand, technical know-how and trade secrets.

Our success depends on our ability to protect our patents, trademarks, technical know-how and trade secrets in respect to our formulations and processes. While, we have received one patent and 28 trademark registrations and applied for 24 trademark registrations, we primarily rely on trade secrets to protect proprietary formulations, which do not require us to publicly file information regarding such trade secrets. However, our trade secrets may become known or independently developed by our competitors, and in such cases, we may no longer enjoy the exclusive use of some of our formulations or maintain the confidentiality of information relating to our products. For further details on our patent and trademark registrations, please see "***Government and Other Approvals***" on page 303.

We also rely on technical knowledge, product information, industry data, manufacturing expertise and market "know how" that cannot be registered and is not subject to any confidentiality or nondisclosure clauses or agreements. If such know-how is leaked to third parties, this could erode our competitive advantage.

We cannot guarantee that we will be successfully able to protect our technical know-how and trade secrets. Additionally, we may face claims that we are infringing the intellectual property rights of others. If we are subject to any adverse rulings or decisions, our manufacture and sale of such products could be significantly restricted or prohibited and we may be required to pay substantial damages or on-going licensing fees. Any of the foregoing could have an adverse effect on our business, results of operations, cash flows and financial condition.

11. Our distribution network is vital to our business and our inability to expand or effectively manage our distribution network would lead to an adverse impact on our business, financial condition and results of operations.

We rely to a significant extent on the relationships we have with our third-party distribution partners, as they play a significant role in enhancing customer awareness of our products and maintaining our brand name. Our pan-India distribution network has over 204 distributors as on May 31, 2020. We primarily sell our home, personal care and performance chemicals; and textile specialty chemicals in a business-to-business model through our distributors to our customers in FMCG and apparel industries, respectively; and we sell our animal health and nutrition products to retailers through distributors. We may not be able to effectively manage our existing distribution network as we do not have any long-term contracts with any of our distribution partners. In addition, although we provide certain incentive schemes to our distribution partners, we may not be able to effectively implement them across our network. If our competitors provide more favourable incentives to our distributors, such distributors may be persuaded to decline distribution of our products and promote the products of our competitors instead and we may be unable to appoint replacement distribution partners in a timely manner, or at all.

Our competitors may adopt innovative distribution models which are more effective than traditional distribution models, resulting in a reduction in the sales of our products. We may also face disruptions in the delivery of our products for various reasons beyond our control, including poor handling by our distributors of our products, transportation bottlenecks, natural disasters and labour issues, which could lead to delayed or lost deliveries. In addition, any failure to provide distribution partners with sufficient inventories of our products may lead to a reduction in the sales of our products.

We seek to increase the penetration of our products by expanding our distributor network targeted at different customer groups and geographies. There can be no assurance that we will be able to successfully identify or appoint new distribution partners. Our competitors may have exclusive arrangements with certain distributors who may be unable to stock and distribute our products, which may limit our ability to expand our distribution network as we typically do not have exclusive arrangements with our distributors. If we are unable to effectively manage our distribution network, our business, financial condition and results of operations may be adversely affected.

12. As part of our growth strategy, we are in the process of establishing a manufacturing facility at the Dahej. Implementation risks along with possible time or cost overruns could adversely affect our business and results of operations.

We are in the process of establishing our new manufacturing unit at the Dahej, Gujarat. We estimate that our Dahej Manufacturing Facility will achieve commercial operation by Fiscal 2021. For further details of our Dahej Manufacturing Facility, see "***Our Business***" on page 145. The proposed completion time of our Dahej Manufacturing Facility is based on management estimates and in the event such estimates prove to be incorrect, our business plans and consequent results of operations may be adversely affected. Moreover, our Dahej Manufacturing Facility is exposed to implementation risks especially in the current times due to COVID-19 and the extent of its continuation, which may arise as a result of, among other reasons, delay in supply of equipment, performance of external agencies, which are responsible for construction of buildings, installation and commissioning of plant and machinery and supply and testing of equipment, unanticipated cost increases, inability in obtaining government approvals or other environmental clearances, in a timely manner or at all, and force majeure events, the occurrence of any of which could give rise to cost and/ or time overruns or abandonment of our Dahej Manufacturing Facility. We are unable to assure you that the performance of external agencies will meet the required specifications or performance parameters in a timely manner or at all, which could adversely affect our business and results of operations.

Further, our decision to undertake the Dahej Manufacturing Facility is based on our understanding of the demand in the markets of the products that we manufacture and operate in, globally and in India. In the event our estimates prove to be incorrect or in the event we are unable to operate the under construction manufacturing facility successfully, our investment in the Dahej Manufacturing Facility would suffer and so would our results of operations.

13. We are subject to risks associated with our strategic partnership with Buzil.

Our Company has entered into joint venture in India with BUZIL-WERK Wagner GmbH & Co. KG ("**Buzil**"), in relation to, among other things, our institutional cleaning business. While our Company owns controlling interest in Buzil Rossari, the terms of the joint venture provide Buzil with certain contractual rights in relation to the business and operations of Buzil Rossari. Accordingly, we need the cooperation and consent of Buzil in connection with the operations of Buzil Rossari, which may not always be forthcoming and we may not always be successful at managing our relationships with Buzil. For further details on the joint venture agreement, see "***History and Certain Corporate Matters – Other Material Agreements***" on page 175. There are certain risks associated in operating with a joint venture partner, including, but not limited to, the risk that our joint venture partner may:

- have economic or business interests or goals that are inconsistent with our interests and goals;
- exercise veto rights in relation to our proposals in respect of joint venture operations and future financing requirements;
- be unable or unwilling to fulfil their obligations under the joint venture agreement and have disputes with us or terminate the joint venture agreement;

- take actions contrary to our instructions or requests or contrary to a joint ventures company's policies and objectives;
- take actions that are not acceptable to regulatory authorities or are not in compliance with applicable law; or
- experience financial or other difficulties.

In relation to Buzil Rossari, Buzil has a right to veto certain decisions that affect its rights as shareholders or its investment and also has the right to nominate two out of four directors on the board of directors of Buzil Rossari. Any disputes resulting from the exercise of such rights or leading to deadlock could cause delays and/or curtail the business or operations of Buzil Rossari.

Further, we may not be able to enforce our rights under the Joint Venture Agreement in the event the Joint Venture Agreement is inadequately stamped. Additionally, the Joint Venture Agreement may not be accepted as evidence in a court of law and we may be required to pay penalties for inadequate stamp duty.

Further, pursuant to the Technology License Agreement, our Company has been granted an exclusive, non-transferable right and license by Buzil to use its patents, trademarks, technology and technical know-how within India. However, the terms of the technology transfer and service agreement provide for termination of the agreement by either party by providing a prior written of 120 days or in the event there is a material breach of the agreement or if we infringe on Buzil's intellectual property. We may not be able to access such technology, intellectual property and know-how in the event of any discontinuation, disruption, termination or breach of the arrangement we have in place with Buzil, resulting in an adverse impact on our business and financial condition.

There can be no assurance that we will always be successful at managing our strategic partnership with Buzil. In the event any risks in relation to our relationship with Buzil materialize, our results of operations and financial condition may be adversely affected.

14. ***We may not be able to successfully grow our new product categories, which may result in an adverse impact on our business prospects and results of operations.***

As part of our growth strategy, we have also introduced additional products in our pet grooming and pet treats product sub-category, which are relatively new to our portfolio. We started the pet grooming product sub-category pursuant to our acquisition of the '*Lozalo*' brand, related trademarks and intellectual property in Fiscal 2019. Further, we have also launched new products in the pet food and pet treats product sub-categories in Fiscal 2019. We have limited or no experience in some of the recently launched products in the pet grooming and pet treats product sub-categories, which are targeted at a completely different customer product category. Further, while our expertise has been in supply of specialty chemicals and industrial enzymes to institutional customers following a business-to-business or a business-to-business-to-consumer model for our home, personal care and performance chemicals, and textile specialty chemicals product categories, through our foray in the pet grooming and pet treats product sub-categories we are targeting on making direct sales to the end consumer in the business-to-customer segment, which has not been our traditional strength. Factors such as competition, customer requirements and regulatory regimes in the pet grooming and pet treats product sub-categories is different from our other product categories, and our experience in the TSC and HPPC product categories may not be applicable to these new product sub-categories. Our current strategy is to gain market share in the pet grooming and pet treats product sub-category, however, there can be no assurance that we will be able to continue to successfully implement our strategy.

Further, the process of launching new businesses requires that we make long-term investments and commit significant resources before knowing whether these investments will eventually result in businesses that achieve customer acceptance and generate the revenues required to provide desired returns. Since, we are targeting direct sales to the end consumer with our products in the pet grooming and pet treats product sub-categories, we will be required to undertake significant expenses for marketing our products and brand building. We may experience difficulties that could delay or hinder the successful development, introduction and marketing of the products in our new product categories and sub-categories. We can give no assurance that we will be able to achieve the business performance, growth and profitability which we expect from our relatively new product categories and sub- categories. Further, our products in the new product sub-categories may not generate sufficient demands in the market, which may result in an adverse effect on our business, results of operations and financial condition.

15. ***Our failure in maintaining our quality accreditations and certifications may negatively impact our brand and reputation.***

The specialty chemicals manufacturing industry is generally hazardous in nature. However, we focus on manufacturing chemicals that are eco-friendly and sustainable and help our customers to reduce their carbon footprint and the overall impact on the environment in a cost efficient manner. We have continuously focused on manufacturing a wide range of eco-friendly sustainable products including Greenacid, Greensoda, Bioclay (a clay based product), Greenhydro 400 Pdr, Greenboost. We have received a number of quality assurance certifications and accreditations which have certified that our research, development, manufacturing and supply of specialty chemicals and eco-friendly and bio-degradable products are in compliance with globally accepted manufacturing practices and quality standards. For instance, we have received certifications for compliance with ISO 14001:2015 (registration for environmental management system), ISO 45001:2018 (occupational health and safety management system) , ISO 14045:2012 (approval for eco-efficiency assessment of the product system), ISO 22000:2018 (food safety management system), HACCP Certificate, WHO GMP Certificate and ISO 9001:2015 (registration for quality management system). For further details see "***Government and Other Approvals***" on page 303. If we and our manufacturing facility are unable to renew the WHO-GMP and ISO accreditations, our brand and reputation could be adversely affected. Any significant damage to our reputation and/or brand caused by being denied such accreditations and certifications could have a material adverse effect on our ability to attract new and repeat customers and, as a result, adversely affect our business, financial condition, results of operations or prospects.

16. ***We are exposed to the risk of losing market share to cheaper imports from other countries which could adversely affect our business, financial condition and results of operations.***

We operate in a globally competitive industry and face competition from specialty chemicals manufacturers from other countries as well as from imports from low cost manufacturing destinations. Some of our global competitors may have certain advantages, including low cost labour, greater financial resources, technology, research and development capability, greater market penetration and operations in India and product portfolios, which may allow our competitors to offer their products competing with ours in terms of price and quality. There is no assurance that we will remain competitive and be able to match the low cost imports from other countries. Accordingly, we may not be able to compete effectively with our global competitors across our product portfolio, which may lead to our customers preferring to opt for such competitors over us, thereby having an adverse impact on our business, financial condition, results of operations and future prospects.

17. ***Our growth strategy includes evaluating opportunities for strategic investments and acquisitions. If we are unable to successfully identify and integrate acquisitions, our growth strategy, business, financial condition, results of operations and prospects may be adversely affected.***

We may rely on inorganic growth as a key part of our growth strategy, particularly as an enabler of growing our business in the TSC and HPPC product categories. We may evaluate opportunities for alliances, collaborations, partnerships, investments and acquisitions that meet our strategic and financial return criteria, and to strengthen our portfolio of product. We may face several risks in relation to entering into strategic partnerships and acquisitions in the future, including, but not limited to, the following:

- we may be unable to identify suitable acquisition or investment targets;
- we may be unable to arrange for adequate financing on commercially reasonable terms or to negotiate commercially reasonable terms for such acquisitions or investments, or we may incur higher than anticipated costs in relation to proposed strategic transactions;
- our due diligence processes may fail to identify all the risks, liabilities and challenges in relation to proposed strategic transactions;
- we may not be able to achieve the strategic purpose of our proposed acquisitions, investments, alliances, collaborations or partnerships;
- we may face difficulties in integrating acquired entities' accounting, management information, human resources and other administrative systems with our own;
- our management may be distracted or strained by the challenges posed by strategic transactions, or related transition and integration activities;
- we may fail to maintain the quality and consistency or sustain compliance and due performance of contractual obligations by our business partners or acquisition targets;

- our relationships with our current and new employees, distributors, dealers, customers and business partners may be strained or impaired, as a result of our inability to successfully integrate an acquisition target; and
- we may inherit claims or liabilities, as a result of a strategic acquisition, including claims from erstwhile employees, distributors, dealers, customers, business partners or other third parties.

Accordingly, we cannot assure you that our future alliances, collaborations, partnerships, investments or acquisitions will prove value accretive to us. In the event that any of the risks discussed above, or any other incidental risks should materialize, our business, financial condition, results of operations and prospects may be adversely affected.

18. Our ability to accurately forecast demand and manage our inventory or working capital balances may have an adverse impact on our business, market position and result of operations.

We evaluate our inventory balances of materials based on shelf life, expected sourcing levels, known uses and anticipated demand based on forecasted customer order activity and changes in our product sales mix. Efficient inventory management is a key component of the success of our business, results of operations and profitability. To be successful, we must maintain sufficient inventory levels and an appropriate product sales mix to meet our customers' demands, without allowing those levels to increase to such an extent that the costs associated with storing and holding other inventory adversely affects our results of operations. If our raw materials purchase decisions do not accurately predict sourcing levels, customer trends or our expectations about customer needs are inaccurate, we may have to take unanticipated markdowns or impairment charges to dispose of the excess or obsolete inventory, which can adversely affect our results of operations. Our working capital requirements may also increase if payment terms shift payments on completion of delivery or otherwise increase our working capital burdens. In addition, our working capital requirements have increased in recent years due to the general growth of our business. If a customer defaults in making its payment on a product to which we have devoted significant resources, it may also affect our profitability and liquidity and decrease the capital resources that are otherwise available for other uses. All of these factors may result, or have resulted, in increases in our working capital requirements. If we are unable to finance our working capital needs, or secure other financing when needed, on acceptable commercial terms or at all, it may adversely affect our business, growth prospects and results of operations.

19. Our success depends on our ability to retain and attract technical personnel and various other professionals. If we are not able to retain them or recruit additional qualified personnel, we may not be able to successfully develop our business.

Our success depends in part on our ability to retain and attract additional skilled employees, particularly our research scientists and skilled equipment operators. Without a sufficient number of skilled employees, our operations and manufacturing quality could suffer. Our ability to successfully carry out research and development depends on our ability to attract and retain skilled research scientists and equipment operators. We have a dedicated team of 22 employees in our R&D facilities situated within the Silvassa Manufacturing Facility and another one in Mumbai. Our experienced sales team has also developed a number of meaningful customer relationships that would be difficult to replace.

Competition for qualified technical personnel and operators as well as sales personnel with established customer relationships is intense, both in retaining our existing employees and when replacing or finding additional suitable employees. Further, as we are in the process of setting up our Dahej Manufacturing Facility, we may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting suitable employees. Any failure to retain and attract additional skilled research scientists, equipment operators or sales personnel could have a material adverse effect on our business, financial condition and results of operations.

20. We are subject to extensive government regulation and if 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 regulation 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 the geographies in which we operate, generally for carrying out our business and for our manufacturing facilities. For details of approvals relating to our business and operations, see "***Government and Other Approvals***" on page 303.

A majority of these approvals are granted for a limited duration. Some of these approvals have expired and we have either made or are in the process of making an application for obtaining the approval for its renewal. One of our business related license has expired and we have made a renewal application for the same. Further, two of the registration certificates of our Subsidiary, Rossari Personal Care are under its erstwhile name, Neutron Impex Private Limited, and accordingly, our Subsidiary has already filed one application and is in the process of filing an application for transfer of its name under the relevant registration certificates. For details of pending approvals, see "***Government and Other Approvals - Material Approvals that have expired and for which renewal applications have been made***" on page 305. Further, while we have applied for some of these approvals, we cannot assure you that such approvals will be issued, renewed or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations 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 noncompliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

21. We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressure could have a material adverse impact on our prospects and results of operation.

The specialty chemicals and industrial enzyme industry is highly competitive. Competition in our business is based on pricing, relationships with customers, product quality, customisation and innovation. We expect that competition will continue to intensify both through the entry of new players and consolidation of existing players. Our competitors may succeed in developing products that are more effective, more popular or cheaper than any we may develop, which may render our products obsolete or uncompetitive and adversely affect our business and financial results. Some of our competitors may have greater financial resources, better distribution network, technical and marketing resources and generate greater revenues, and therefore may be able to respond better to market changes than we can. Further, our customers operate within the highly competitive textile and home and personal care industries, where they are constantly required to adapt to factors such as changing consumer preferences, consolidation and the entry of new regional and local players, and constantly exert downward pricing pressure. We may be adversely affected in case our customers are unable to effectively respond to any factors that adversely impact the competitive landscape of the textile and home and personal care industries.

We believe that our ability to compete depends on a number of factors beyond our control, including the ability of our competitors to attract, train, motivate and retain highly skilled technical employees, the price at which our competitors offer comparable products and the extent of our competitor's responsiveness to cutomers' needs. Our inability to adequately address competitive pressures may have a material adverse effect on our business, prospects, financial condition and results of operations.

22. If any of our products cause or are perceived to have caused side effects, our reputation, revenues and profitability could be adversely impacted.

We develop, manufacture and market a diverse range of specialty chemicals and industrial enzymes which are primarily used as raw materials for host of products in the textile, consumer-centric home and personal care and animal health and nutrition related businesses. If our customers' products cause, or are perceived to cause, severe side effects to their end-users, we may face a number of consequences, including, a severe decrease in the demand for, and sales of, the relevant products, the recall or withdrawal of the relevant products, withdrawal or cancellation of regulatory approvals for our manufacturing facility, damage to our reputation and brand name and exposure to lawsuits and regulatory investigation relating to the relevant products that result in liabilities, fines or sanctions. As a result of these consequences, our reputation, revenues and profitability may be adversely affected.

23. ***We rely on third-party transportation providers for procurement of raw materials and for supply of our products and failure by any of our transportation providers could result in loss in sales.***

We depend on road transportation to deliver our finished products to our customers. We rely exclusively on commercial vehicles and third-party transportation providers for procuring our raw materials as well as for distributing our products to our customers. This makes us dependent on various intermediaries such as domestic logistics companies and container freight station operators. Even though our Silvassa Manufacturing Facility is situated close to some of our customers' premises, we cannot guarantee that there will not be any delay in transportation and delivery of our products to our customers particularly in light of the COVID-19 outbreak. Weather-related problems, strikes, or other events could impair our ability to procure raw materials from our suppliers or the ability of our suppliers to deliver raw materials to us which may in turn delay the process of manufacturing and supplying our products to our customers, leading to cancellation or non-renewal of purchase orders, and this could adversely affect the performance of our business, results of operations and cash flows.

Additionally, if we lose one or more of our third-party transportation providers, we may not be able to obtain terms as favourable as those we receive from the third-party transportation providers that we currently use, which in turn would increase our costs and thereby adversely affect our operating results. Further, our third-party transportation providers do not carry any insurance coverage and therefore, any losses that may arise during the transportation process will have to be claimed under the Company's insurance policy. There can be no assurance that we will receive compensation for any such claims in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition, results of operations and cash flows.

24. ***If we are unable to sustain or manage our growth, our business, results of operations and financial condition may be materially adversely affected.***

We have experienced significant growth in the past three Fiscals. Our revenue from operations grew at a CAGR of 41.65%, our EBITDA grew at a CAGR of 56.58% and our profit after tax has increased at a CAGR of 60.27% from Fiscal 2018 to Fiscal 2020. We cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to expand further, or at the same rate.

The success of our business will depend greatly on our ability to effectively implement our business and growth strategy. Our growth strategy involves setting up and commencement of our Dahej Manufacturing Facility in a timely manner, expansion of our current product portfolio across business segments, introducing sustainable products, expanding into new geographies, diversify into new geographies, achieving inorganic growth through strategic acquisitions and improving financial performance through operational efficiency. For further details, see the section titled "***Our Business – Our Strategies***" on page 152. Such a growth strategy will place significant demands on our management as well as our operating systems and require us to continuously evolve and improve our operational, financial and internal controls across our organization. In particular, continued expansion increases the challenges involved in:

- making accurate assessments of the resources we will require;
- acquiring new customers and increasing or maintaining contribution from existing customers;
- procuring raw materials at cheap cost;
- recruiting, training and retaining sufficient skilled management;
- maintaining high levels of customer satisfaction; and
- adhering to expected performance and quality standards.

Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategy. Our inability to implement or business strategy or effectively sustain and manage our growth could have an adverse effect on our business, results of operations and financial conditions. Further, as we scale-up and diversify our products, we may not be able to execute our operations efficiently, which may result in delays, increased costs and lower quality products. Our results of operations are dependent to a large extent on the demand for end-use FMCG products which contain our products. While the outbreak of COVID-19 pandemic has positively impacted our sales by a higher demand for disinfectants and sanitizers at the end of Fiscal 2020, we cannot assure you if we can continue to provide tailor made solutions for our customers or if our growth strategy will continue to be successful. Further, we cannot assure you that our future performance or growth strategy will be in line with our past performance or growth strategy. Our failure to manage our growth effectively may have an adverse effect on our business, results of operations and financial condition.

25. ***Inability to successfully expand our business in international markets may affect our growth which may have an adverse effect on our business, results of operations and financial condition.***

Expansion into new international markets is important to our long-term growth. Competing successfully in international markets requires additional management attention and resources to tailor our products to the unique aspects of each new country. In increasing our headcount and our revenue generated in foreign countries, we face various risks, including:

- legal and regulatory restrictions and differences in various legal and regulatory jurisdictions in which we operate;
- competition from existing players in such markets;
- foreign exchange controls that might prevent us from repatriating cash earned in foreign countries;
- political and economic instability;
- challenges caused by distance, language and cultural differences;
- currency exchange rate fluctuations;
- impact of calamities or pandemics globally;
- potentially adverse tax consequences; and
- higher costs associated with doing business internationally.

These and other risks could adversely affect our international expansion and growth, which could have an adverse effect on our business, results of operations and financial condition.

26. We currently avail benefits under certain export promotion schemes. In order to continuously avail the benefits we are required to export goods of a defined amount. Any failure in meeting the obligations, may result in adversely affect our business operations and our financial condition.

We currently avail benefits under certain export promotion schemes which allow us duty free import of inputs used for manufacturing and availing customs duty drawbacks. As per the licensing requirement under the said schemes, we are bound by certain export obligations which require us to export goods of a defined amount, failing which, we may have to pay the Government, a sum equivalent to the duty benefit enjoyed by us under the said schemes along with interest. Any reduction or withdrawal of benefits or our inability to meet any of the conditions prescribed under any of the schemes would adversely affect our business, results of operations and financial condition.

27. We are exposed to foreign currency exchange rate fluctuations, which may adversely impact our results of operations and cause our results to fluctuate.

Our revenues are influenced by the currencies of those countries where we sell our products. The exchange rate between the Indian Rupee and foreign currencies, primarily the US$, has fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, during times of strengthening of the Indian Rupee, we expect that our overseas sales and revenues will generally be negatively impacted as foreign currency received will be translated into fewer Indian Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period due to other variables impacting our business and results of operations during the same period. Set forth below is a detailed break-up of our revenue from operations for Fiscals 2020, 2019 and 2018.

	Fiscal 2020		**Fiscal 2019**		**Fiscal 2018**	
	Amount *(in ₹ million)*	**% to revenue from operations**	**Amount *(in ₹ million)***	**% to revenue from operations**	**Amount *(in ₹ million)***	**% to revenue from operations**
Revenue from Operations						
Within India	5,338.59	88.96	4,443.66	86.08	2,578.84	86.23

Outside India	662.35	11.04	718.52	13.92	411.77	13.77

While we seek to pass on all losses on account of foreign currency fluctuations to our customers, our ability to foresee future foreign currency fluctuations is limited. As our exported products are priced in foreign currencies, the strengthening of these currencies against the Indian Rupee results in gains and the weakening of these currencies results in losses for our Company. Further, due to the time gap between the accounting of purchases and actual payments, the foreign exchange rate at which the purchase is recorded in the books of accounts may vary with the foreign exchange rate at which the payment is made, thereby benefiting or affecting us negatively, depending on the appreciation or depreciation of the Rupee. We may, therefore, be exposed to risks arising from exchange rate fluctuations, may not be able to pass on all losses on account of foreign currency fluctuations to our customers, and suffer losses on account of foreign currency fluctuations. There is no guarantee that we may be able to manage our foreign currency risk effectively or mitigate exchange exposures, at all times and our inability may harm our results of operations and cause our results to fluctuate and/or decline. Further, while we seek to hedge our foreign currency exchange risk by entering into forward exchange contracts, any action that we may take and any amounts that we spend or invest in order to hedge the risks to our business due to fluctuations in currencies may not adequately hedge against any losses and we cannot assure you of the sufficiency of these procedures or whether the procedures we have in place will be successful in managing our foreign currency exposure. See "***Financial Statements***" on page 201.

28. We have high working capital requirements and may require additional financing to meet those requirements, which could have an adverse effect on our business, results of operations and financial condition.

Our Company requires working capital to finance the purchase of raw materials and for the manufacture and other related work before payment is received from customers. The actual amount and timing of our future working capital requirements may differ from estimates as a result of, among other factors, calamities, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, weather related delays, technological changes and additional market developments and new opportunities in the specialty chemicals and industrial enzyme industry. Our sources of additional financing, required to meet our working capital requirements and capital expenditure plans, may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

29. Our indebtedness and the conditions and restrictions imposed on us by our financing agreements could adversely affect our ability to conduct our business.

As on June 25, 2020 we had total outstanding fund based borrowings of ₹ 679.64 million. We may incur additional indebtedness in the future. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow will be used towards repayment of our existing debt, which will reduce the availability of cash to fund working capital needs, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our loans are at variable interest rates; and
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulator and economic conditions.

Most of our financing arrangements are secured by our movable assets and by certain immovable assets. Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Typically, restrictive covenants under financing documents of our Company relate to obtaining prior consent of the lender for, among others:

- any change or modification in the capital structure;
- any change in management of our Company;
- amalgamation, merger, demerger or corporate restructuring;
- any change in the shareholding pattern of our Company.

For further details of the restrictive covenants under financing documents of our Company, see "***Financial Indebtedness - Principal terms of the borrowings availed by our Company on a consolidated basis***" on page 266. Failure to meet these conditions or obtain these consents could have significant consequences on our business.

Any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit facilities, default, acceleration of amounts due under such facilities and cross-defaults under certain of our other financing agreements, any of which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations.

30. Conflicts of interest may arise out of common business objects shared by our Company and some of our Group Companies and members of the Promoter Group.

Certain our Group Companies, namely RBIPL, RMIPL and RSCPL and certain of the members of the Promoter Group, namely Rossari Hydra Chemicals Private Limited and Suisse Silicon Specialties Private Limited, share the common business objects and the constitutional documents of these Group Companies and members of the Promoter Group permit them to operate in the same line of business as us, which may lead to competition with such Group Companies and members of the Promoter Group. However, the aforesaid Group Companies and the members of the Promoter Group are not currently involved in any business activities similar to that of our Company. Our Promoters have undertaken to not undertake any business (directly and indirectly) which competes in any manner with the business undertaken by the Company, any Group Company and/or the members of the Promoter Group. Any violation, non-compliance (whether in whole or in part) or unenforceability of such non-compete obligations may have an adverse effect on the results of our operations and financial condition. .

31. Customer consolidation and drastic change in the management set up of our customers could impact our relationship with our customers and could adversely impact our financial position, results of operations and cash flows.

Customers in our markets, especially customers in the home, personal care and performance chemicals product category, may consolidate and grow in a manner that could affect their relationship with us. For instance, the management set up of our customer may get reshuffled pursuant to an acquisition or otherwise, which may affect our relationship with such customer, and we may not be able to retain any favourable terms that we agreed to in the past and may even lose that acquired customer's business. Additionally, if our customers become larger and more concentrated, they could exert pressure in pricing and payment terms on all suppliers, including us. Accordingly, our ability to maintain or raise prices in the future may be limited, including during periods of increase in the price of raw materials and other costs. If we are forced to reduce prices or maintain prices during periods of increased costs, or if we lose customers because of their acquisition, pricing or other methods of competition, our financial position, results of operations and cash flows may be adversely affected.

32. We own a large range of equipment and have a large number of contract labour, resulting in increased costs to our Company. In the event we are not able to generate adequate cash flows it may have a material adverse impact on our operations.

We operate in a labour intensive industry and accordingly we are required to employ a large labour force. We primarily rely on contractual labour to fulfil our labour requirement. As on May 31, 2020, we had 365 employees. This results in a significant contractual labour cost for our Company. Our dependence on such contract labour may result in significant risks for our operations, relating to the availability and skill of such contract labourers, as well as contingencies affecting availability of such contract labour during peak periods in labour intensive sectors such as ours. There can be no assurance that we will have adequate access to skilled and unskilled workmen at reasonable rates. Additionally, we own a large range of sophisticated and modern equipment, resulting in increased fixed costs to our Company. As of May 31, 2020, we had a range of equipment including boiler, thermic fluid heater, cooling tower, chilling plant, reverse osmosis plant, effluent treatment plant, multiple effect evaporator and agitated thin film evaporator, incinerator etc. We have neither historically used nor currently use second-hand equipment to undertake our business. Accordingly, the cost of maintaining and keeping such capital equipment in proper working condition constitutes a significant portion of our operating expenses. In the event, we are unable to generate or maintain adequate revenues by successfully bidding for projects or recover payments from our customers in a timely manner or at all, it could have a material adverse effect on our financial condition and operations.

33. Any delay or default in payments from our distributors or customers could result in the reduction of our profits.

We extend credit to certain of our customers and distributors. Consequently, we are exposed to the risk of the uncertainty regarding the receipt of these outstanding amounts. For instance, some of our customers have requested for an extended payment terms due to the recent COVID-19 pandemic. As a result of such industry conditions, we have and may continue to have relatively high levels of outstanding receivables and there may be an impact on our cash flow statement. As of March 31, 2020, our trade receivables were ₹ 941.36 million on a consolidated basis. If a significant portion of our customers or distributors default in making these payments our profits margins could be adversely affected. Our financial position and profitability therefore depend on the credit-worthiness of our customers and distributors.

Certain of these customers and distributors may have weak credit histories and we cannot assure that these counterparties will always be able to pay us in a timely fashion, if at all. Any change in the financial condition of these counterparties that adversely affects their ability to pay us may materially adversely affect our results of operations and financial condition. Further, we cannot assure you that in the future we will not extend credit to our customers and distributors.

34. We operate in a hazardous industry and are subject to increasingly stringent environmental, health and safety laws, regulations and standards, which may result in compliance costs and remediation efforts, and may consequently have an adverse effect on our operational and financial position.

We operate in a hazardous industry and are subject to a broad range of increasingly stringent laws, regulations and standards as the research, development and manufacturing of our products involve handling often volatile, inflammable and hazardous chemicals, processes and by-products. They result in high compliance costs and could expose us to legal liability. These requirements are comprehensive and cover many activities including, air emissions, waste water discharges, the use and handling of hazardous materials and by-products, waste disposal practices and the clean-up of existing environmental contamination.

The development or discovery of new facts, events, circumstances, changes in law or conditions, including future decisions to close our manufacturing facility, which cannot be predicted with certainty, may trigger remediation liabilities and result in increased costs and liabilities or prevent or restrict some of our operations. We expect to continue to incur substantial expenditure in the future in order to maintain compliance with environmental regulations. Such costs may increase our costs of production and thereby adversely affect our results of operations. In addition, currently unknown environmental problems or conditions may be discovered. If we are unable to comply with these standards, we may lose customer orders, suffer from damage to our reputation, or be subject to monetary penalties, criminal sanction or other enforcement actions by regulatory bodies including plant closures or product withdrawal, which could further adversely affect our business, financial condition and results of operations.

35. Our business is subject to stringent environmental regulations, which requires us to periodically renew the consent to operate and undertake manufacturing at the Silvassa Manufacturing Facility or obtain a fresh consent to operate in order to manufacture additional items at our manufacturing facility. Any delay or inability to obtain such consent to operate may have a material and adverse effect on our business, results of operations, financial condition and prospects.

Our business is subject to strict compliance with environmental laws, rules and regulations promulgated by central, state and local governments. In order to undertake our operations, we have been granted a consent to operate under the Water (Prevention & Control of Pollution) Act, 1988, the Air (Prevention & Control of Pollution) Act, 1981 and Authorization in Form 2 under Rule 6 (2) of the Hazardous and Other Wastes

(Management and Transboundary) Rules, 2016 framed under the Environment (Protection) Act, 1986 , for undertaking manufacturing of, among other things, specialty chemicals, enzymes, brightening agent, antistatic conning, fiber yarn finish, home care products/cleaning products, animal feed and nutrition products, hand wash and sanitising products and cosmetic and personal care products at the Silvassa Manufacturing Facility. As per the terms of the consent to operate, we are allowed a maximum annual production quantity, which we cannot exceed. However, in accordance with of our expansion plans, we are required to regularly make applications to the Pollution Control Committee, Daman, Diu and Dadra & Nagar Haveli ("**PCC**") for enhancing our annual production capacity and to operate additional equipment at the Silvassa Manufacturing Facility. If our applications to obtain consent to operate additional items are rejected, or if there is any delay in obtaining these approvals, it may disrupt our growth, impede the execution of our business plans and may materially and adversely affect our business and financial condition. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time frames anticipated by us or at all. For further details see "***Government and Other Approvals***" on page 303.

36. Any failure of our information technology systems or inability to adapt to technological changes could adversely affect our business and our operations.

We have information technology systems that support our business processes, including product formulas, product development, sales, order processing, production, distribution and finance. These systems may be susceptible to outages due to fire, power loss, telecommunications failures, natural disasters, break-ins and similar events. Effective response to such disruptions will require effort and diligence on the part of our third-party vendors and employees to avoid any adverse impact to our information technology systems. In addition, our systems and proprietary data stored electronically may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. If such unauthorized use of our systems were to occur, data related to our product formulas, product development and other proprietary information could be compromised. The occurrence of any of these events could adversely affect our business, interrupt our operations, subject us to increased operating costs and expose us to litigation.

Further, we depend on the successful introduction of new production and manufacturing processes to create innovative products, achieve operational efficiencies and adapt to advances in, or obsolescence of our technology. Our future success will depend in part on our ability to respond to technological advances in the businesses in which we operate, on a cost-effective and timely basis. The development and implementation of such technology entails significant technical and business risks. We cannot assure you that we will successfully implement new technologies effectively or that we will be able to successfully make timely and cost-effective enhancements and additions to our technological infrastructure, keep up with technological improvements in order to meet our customers' needs or that the technology developed by others will not render our products less competitive or attractive. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of products we sell, which may adversely impact our business and our financial performance.

37. Our Dahej Manufacturing Facility will be operated on industrial land allotted to us by industrial development corporations on a leasehold basis. Failure to comply with the conditions of use of such land could result in an adverse impact on our business and financial condition.

Our Dahej Manufacturing Facility is proposed to be operated on industrial land allotted to us by Gujarat Industrial Development Corporation ("**GIDC**") on a 99 years lease. Under the terms of the offer-cum allotment letter and the lease deed entered between GIDC and the Company, we are required to comply with certain ongoing conditions, including the requirement to (i) complete the construction of the factory building within a period of two years from the date of the lease deed, failing which GIDC is entitled to take back the possession of the land, (ii) employ locally domiciled persons in the facility for 85% of the posts, including 65% of the managerial and supervisory posts, (iii) not change use of the plot and (iv) comply with certain sewage disposal and pollution control norms. If we fail to meet any such conditions, we may be required to incur liability. Further, according to the various statutory rules governing GIDCs functioning, GIDC also retains the power to cancel allotment of land in the event of breach of any rules of allotment.

Cancellation of the land allotted to us due to, among other things, non-compliance of the conditions of the offer-allotment letter could have an impact on our financial condition, which could adversely impact our results of operations and financial condition.

38. There are certain legal proceedings involving our Company and our Subsidiary, which if determined against us or them, may have an adverse effect on our business, results of operations and our reputation.

In the ordinary course of business, our Company, our Subsidiary, our Promoters and certain of our Directors are involved in certain legal proceedings, which are pending at varying levels of adjudication at different fora. Such proceedings could divert management's time and attention and consume financial resources in their defence or prosecution. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and quantifiable and include amounts claimed jointly and severally. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business, financial condition and results of operations. The list of material outstanding legal proceedings as on the date of this Prospectus is set out below.

Name of Entity*	Criminal proceedings	Tax proceedings (including property tax)	Statutory or regulatory proceedings	Material civil litigation	Aggregate amount involved (₹ in million)**
Company					
By the Company	*1*	*Nil*	*Nil*	*Nil*	*1.07*
Against the Company	*Nil*	*1*	*Nil*	*1*	*27.44*
Directors					
By the Directors	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Against the Directors	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Promoters					
By the Promoters	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Against the Promoters	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Subsidiaries					
By the Subsidiaries	*Nil*	*Nil*	*Nil*	*Nil*	*Nil*
Against the Subsidiaries***	*Nil*	*Nil*	*Nil*	*1*	*20.00*
Total	**1**	**1**	***Nil***	**1**	**28.51**

**There is no pending litigation involving our Group Companies which will have a material impact on our Company.*
***To the extent quantifiable.*
**** Both our Company and our Subsidiary, Buzil Rossari have been named parties in the same suit.*

39. Our Promoters will continue to retain control over our Company after the completion of the Offer, which will allow them to influence the outcome of matters submitted for approval of our shareholders.

Following the completion of the Offer, our Promoters will continue to hold approximately 62.02% (subject to finalisation of Basis of Allotment) of our post- Offer Equity Share capital. As a result, they will have the ability to significantly influence matters requiring shareholders' approval, including the ability to appoint Directors to our Board of Directors and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our MoA and AoA, and any assignment or transfer of our interest in any of our licenses. We cannot assure you that our Promoters will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

40. We are dependent on our Promoters, key managerial personnel, including our senior management and business heads, and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.

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

41. We have entered into and may continue to enter into related party transactions with our Subsidiaries, Promoters, members of the Promoter Group and Group Companies. There can be no assurance that such

transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations.

We have entered into certain related party transactions with our Subsidiaries, Promoters, members of the Promoter Group and Group Companies. These related party transactions include, among other things, sale of our products to related parties, royalty payments received from our Subsidiary, rent paid to our Promoters and one of our Group Company for property leased by our Company from them, payment of salary and sitting fee and loans granted by our Company. For further details, see Note 42 in "***Financial Statements– Restated Financial Statements***" on page 243.

There can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Furthermore, it is likely that we will continue to enter into related party transactions in the future. There can be no assurance to you that these or any future related party transactions that we may enter into, individually or in aggregate, will not have an adverse effect on our business, financial condition and results of operations. Further, the transactions with our related parties may potentially involve conflicts of interest. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favour.

42. A portion of the Net Proceeds and the proceeds from the Pre-IPO Placement may be utilized for repayment or pre-payment of loans taken from one of the affiliate of one of our Book Running Lead Managers.

We propose to repay/prepay certain loans obtained from one of the affiliate of one of our Book Running Lead Managers from the Net Proceeds and the proceeds from the Pre-IPO Placement as disclosed in "***Objects of the Offer***" beginning on page 85. The affiliate is not an associate of our Company or the Selling Shareholders in terms of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended. While the repayment/prepayment of certain loans is proposed to be made out of the proceeds of the Fresh Issue to an affiliate of one of the Book Running Lead Managers and the board of directors of our Company would choose loans to be repaid/prepaid based on commercial objectives, there can be no assurance that the same will not be perceived as a current or potential conflict of interest. For further details, see "***Objects of the Offer***" on page 85.

43. Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency, which may affect our business and results of operations.

We intend to use the Net Proceeds for the purposes described in "***Objects of the Offer***" beginning on page 85 of this Prospectus. Our funding requirements are based on management estimates and our current business plans and has not been appraised by any bank or financial institution. The deployment of the Net Proceeds will be at the discretion of our Board. However, the deployment of the Net Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, inability to identify suitable location for our restaurants at favourable terms and other financial and operational factors.

Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of proceeds. If we are unable to deploy the proceeds of the Offer in a timely or an efficient manner, it may affect our business and results of operations.

44. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we have or may implement, or our level of compliance with such controls, may deteriorate over time due to evolving business conditions.

There can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

45. ***Our insurance coverage may not adequately protect us against all material hazards.***

Our business, including our manufacturing operations in particular, carry an inherent risk of exposure to substantial liability for product damage, property damage, personal injury or death, environmental pollution or other damage. We maintain insurance coverage in respect of our buildings, plant and machineries, fixtures and fittings, and inventories, covering losses due to fire and burglary, as well as marine insurance policies. In addition, we cover our employees under group accident policy, group medi-claim policy and group life insurance policy. However, our insurance is subject to customary deductibles, exclusions and limits which may prevent us from fully recovering our losses, or our insurance may not be adequate to cover our liabilities.

As on March 31, 2020, the total insurance coverage maintained by our Company, our Subsidiaries, associates and joint venture was ₹ 7,467.40 million. Further, our insurance coverage of ₹ 7,467.40 million was 2.65 times the net assets of the Company as per the Restated Financial Statements for Fiscal 2020.

There may also be certain types of risks for which we are not covered. For instance, we do not have insurance policies that cover the losses incurred due to COVID-19 pandemic, or any such instances. While the Company is in discussion with insurance companies to get additional coverage for such losses in future, there is no assurance that we will be able to obtain such insurance coverage. Further, there is no assurance that insurance will be generally available in the future or, if available, that the premiums will be commercially justifiable. If we incur substantial liability which is not covered by insurance or exceed policy limits, our business, financial condition, results of operations and prospects may be adversely affected.

46. ***Strikes, work stoppages and other industrial actions could disrupt our operations and adversely affect our business, financial condition and results of operations.***

As of May 31, 2020, we had 365 employees working at our manufacturing facility and offices. Although we have not experienced any labour disruptions in the past and do not have any unionized employees, there can be no assurance that our employees will not unionize or that we will not experience any strike, work stoppage or other industrial action in the future. Any such event could disrupt our operations, possibly for a significant period of time, result in increased wages and other benefits or otherwise have an adverse effect on our business, financial condition and results of operations.

Further, in recent times, due to the COVID-19 pandemic and nation-wide lockdown, we had a period of temporary disruption of our operations. Further, we cannot accurately forecast the impact of such lockdown on our business and the outcome of any such situations arising due to pandemics in the future. Such situations may have an adverse impact on our business, financial condition and results of operation.

From time to time, we also enter into contracts with independent contractors to complete specific assignments and these contractors are required to provide the workers necessary to complete such assignments. Although we do not engage these workers directly, it is possible that we may be held responsible for wage payments to workers engaged by contractors should the contractors default on wage payments under Indian law. Any requirement to fund such payments may adversely affect our business, prospects, financial condition and results of operations. The Indian courts on a case-by-case basis have directed employers in the past to absorb contract labourers as employees. Any such order from a court or any other regulatory authority may adversely affect our business, prospects, financial condition and results of operations.

47. ***Certain of our immovable properties in India and overseas are leased by us. If we are unable to renew existing leases or relocate our operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition and operations.***

Certain of our branch offices and warehousing facilities in India and overseas are held by us on leasehold basis from third parties and our Promoters. The leases for these premises require periodic renewal and are subject to periodic escalation of lease payments. For Fiscals 2020, 2019 and 2018, our total lease rentals amounted to ₹ 22.27 million, ₹ 24.92 million and ₹ 14.85 million, respectively. If we are unable to renew certain or all of these leases on commercially reasonable terms, we may suffer a disruption in our operations or be unable to continue to operate from those locations in the future and may, to that extent incur significant costs to relocate or expand our operations elsewhere. In addition, the terms of our leases require us (as the lessee) to bear conditions which may restrict our operational flexibility in certain respects, for instance, requiring us to obtain the lessor's prior consent for certain actions (including making significant structural alterations to the building or to sublet, transfer, assign, charge or mortgage such properties). For further details, see "***Our Business – Real Estate Property***" on page 164.

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

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and subsequent approval of shareholders and will depend on factors that our Board and shareholders deem relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We cannot assure you that we will be able to pay dividends at any point in the future. For details of dividend paid by our Company in the past, see "***Dividend Policy***" on page 200.

49. We have commissioned reports, from F&S, which has been used for industry related data in this Prospectus and such data have not been independently verified by us.

We have commissioned from F&S to produce reports on the specialty chemicals and industrial enzymes. F&S has provided us with a report titled "*Global and Indian Specialty Chemicals Report*" dated December 10, 2019, which has been used for industry related data that has been disclosed in this Prospectus. The report uses certain methodologies for market sizing and forecasting. We have not independently verified such data and therefore, while we believe them to be true, we can make no assurance that they are complete or reliable. Further, due to the recent pandemic, we may not be able be to accurately forecast the industry trend in India. Accordingly, investors should read the industry related disclosure in this Prospectus in this context. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information. Please see "***Industry Overview***" on page 103.

50. Certain of our Promoters, members of our Promoter Group, Directors and Key Managerial Personnel have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.

The following Promoters, Directors and Key Managerial Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits:

S. No.	Names	Position/Designation
1.	Mr. Edward Menezes	Promoter, Executive Chairman and Key Managerial Personnel
2.	Mr. Sunil Chari	Promoter, Managing Director and Key Managerial Personnel
3.	Ms. Jyotishna Chari	Member of the Promoter Group
4.	Ms. Anita Menezes	Member of the Promoter Group
5.	Mr. Mikhail Menezes	Member of the Promoter Group and Key Managerial Personnel
6.	Mr. Yash Chari	Member of the Promoter Group and Key Managerial Personnel

These Directors and Promoters and Key Managerial Personnel may be deemed to be interested to the extent of Equity Shares held by them and by members of our Promoter Group, as well as to the extent of any dividends, employee stock options, bonuses or other distributions on such Equity Shares. As of the date of this Prospectus, our Promoters and certain members of our Promoter Group hold majority of the issued, subscribed and paid-up Equity Share capital of our Company. Upon completion of the Offer, our Promoters and certain members of the Promoter Group together will continue to exercise significant control over us, which will enable them to vote together in capacity as shareholders of our Company on certain matters in general meetings of our Company. Accordingly, the interests of our Promoters and certain members of the Promoter Group in their capacity as shareholders of our Company may conflict with your interests and the interests of other shareholders of the Company. For further details, see "***Capital Structure***", "***Promoter and Promoter Group***" and "***Our Management***" on pages 71, 193 and 178, respectively.

51. ***Certain unsecured loans have been availed by our Subsidiaries which may be recalled by lenders at any time.***

The unsecured loans taken by our Subsidiaries may be recalled by the respective lenders at any time. Any failure to service such indebtedness, or otherwise perform any obligations under such financing agreements may lead to a termination of one or more of our credit facilities or incur penalties and acceleration of payments under such credit facilities, which may adversely affect our Subsidiaries.

52. ***We have not been able to obtain certain records of the educational qualifications of a Director and have relied on declarations and undertakings furnished by such individual for details of their profiles included in this Prospectus. Further, we have relied on affidavits for the professional experience of our advisory board.***

Our director, Mr. Goutam Bhattacharya (Independent Director) has been unable to trace copies of documents pertaining to his educational qualifications. Accordingly, reliance has been placed on declarations, undertakings and affidavits furnished by him to us and the BRLMs to disclose details of his educational qualifications in this Prospectus. We and the BRLMs have been unable to independently verify these details prior to inclusion in this Prospectus. Further, there can be no assurances that our director will be able to trace the relevant documents pertaining to his educational qualifications in future, or at all. Further, we have relied upon declarations, undertakings and affidavits furnished by members of our advisory board to us and the BRLMs to disclose details of their professional experience in this Prospectus.

53. ***Our Company will not receive any proceeds from the Offer for Sale.***

The Offer comprises of an Offer for Sale of 10,500,000 (subject to finalisation of Basis of Allotment) Equity Shares by the Selling Shareholders. The entire proceeds from the Offer for Sale will be paid to Selling Shareholders and we will not receive any such proceeds directly.

54. ***Our Company has an obligation to buy-back Equity Shares allotted to Pre-IPO Investors ("Pre-IPO Shares") in the event the Offer is not consummated within 12 months from February 20, 2020 ("Option Exercise Date")***

In connection with the Pre-IPO Placement, our Company has issued the Pre-IPO Letters to the Pre-IPO Investors. Pursuant to the Pre-IPO Letters, each of the Pre-IPO Investors have a right to require our Company to buy-back their respective Pre-IPO Shares, if the Equity Shares are not listed on any recognized stock exchange in India on or before the expiry of the Option Exercise Date. While this option terminates on the listing of the Equity Shares on a recognized stock exchange in India, we cannot assure you that the Offer will be consummated on or prior to the Option Exercise Date or that this option will be not be exercised by any of the Pre-IPO Investors in the event the Equity Shares are not listed on a recognized stock exchange by the Option Exercise Date. The exercise of the buy-back option by any Pre-IPO Investor may require our Company to invest significant resources towards acquiring the Pre-IPO Shares which in turn may have a material adverse impact on the Company and its prospects.

External Risk Factors

Risks Related to India

55. ***The outbreak of COVID-19, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.***

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding COVID-19 and no government-certified treatment or vaccine is available yet. A rapid increase in severe cases of infections and subsequent deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession. The spread of COVID-19 has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or steps on what we believe would be in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed.

The extent to which the COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and the actions taken globally to contain COVID-19 or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact COVID-19 may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all of any impact from the spread of COVID-19 or its consequences, including downturns in business sentiment generally or in our sector in particular. The degree to which COVID-19 impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people. Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

56. ***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 disease 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.

57. ***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 BSE and NSE. 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 emergency 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 calamities or civil disruptions, impacting this region may adversely affect our operations.

Further, a number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus. The World Health Organization and other agencies have recently issued warnings on the COVID-19 virus and on a potential avian or swine influenza pandemic if there is sustained human-to-human transmission. If any of our employees are identified as a possible source of spreading COVID-19, swine flu, avian flu or any other similar epidemic or pandemic, we may be required to quarantine employees that are suspected of being infected, as well as others that have come into contact with those employees and we may have to shut down a part of or the entire manufacturing facility for certain period, which could have an adverse effect on our business operations. Further, the process of obtaining and/ or renewing necessary registrations, approvals, licenses and permits from statutory/ regulatory authorities is also likely to be impacted by the governmental restrictions and lockdowns. A worsening of the current outbreak of COVID-19 virus or future outbreaks of COVID-19 virus, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region. As a result, any present or future outbreak of avian or swine influenza or other contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

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

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

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

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

60. 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 Baa2 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 favorable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

61. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ("**GST**") regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure.

Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented.

The Government has enacted the GAAR which have come into effect from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us.

The Finance Act, 2019 (the "**Finance Act**") has made various amendments. The Finance Act stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. 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 prospects. 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 impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

Risks Related to the Offer

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

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the stock exchanges, the quantum of gains and any available treaty exemption. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of Securities Transaction Tax ("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.

64. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

65. Our Promoters are selling Equity Shares in the Offer and will receive proceeds as part of the Offer for Sale.

The Offer comprises of a fresh issue of 1,176,470* Equity Shares aggregating to ₹ 500 million and an offer for sale of 10,500,000* Equity Shares by the Selling Shareholders aggregating to ₹ 4,462.50* million, our Promoters, Mr. Sunil Chari and Mr. Edward Menezes. The proceeds from the Offer will be paid to the Selling Shareholders, in respect of the Equity Shares offered by them in the Offer, and we will not receive any portion of such proceeds. For further details, please see "***Objects of the Offer***" on page 85.

**Subject to finalisation of Basis of Allotment*

66. The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, 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.

67. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse

effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

68. The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.

The Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLMs, and through the Book Building Process. This price will be based on numerous factors, as described under "***Basis for Offer Price***" on page 94 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

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

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in "***Capital Structure***" on page 71, we cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

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

Under the Companies Act 2013, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting rights on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

71. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.

Pursuant to the SEBI Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

72. The requirements of being a listed company may strain our resources.

We are not a listed company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies.

Further, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes details of the Offer:

Offer^	11,676,470* Equity Shares aggregating to ₹ 4,962.50* million
The Offer consists of:	
Fresh Issue(1)	1,176,470* Equity Shares aggregating to ₹ 500.00^ million
Offer for Sale(2) comprises:	10,500,000* Equity Shares aggregating to ₹ 4,462.50* million
(i) Mr. Edward Menezes	5,250,000* Equity Shares aggregating to ₹ 2,231.25* million
(ii) Mr. Sunil Chari	5,250,000* Equity Shares aggregating to ₹ 2,231.25* million
Of which	
A. QIB Category(3)	Not more than 5,838,234* Equity Shares
Of which:	
Anchor Investor Portion(4)	3,502,940* Equity Shares
Balance available for allocation to QIBs other than the Anchor Investor Portion (assuming the Anchor Investor Portion is fully subscribed)	2,335,294* Equity Shares
Of which:	
Available for allocation to Mutual Funds only (5% of the QIB Category (excluding Anchor Investor Portion))	116,765* Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	2,218,529* Equity Shares
B. Non-Institutional Category	Not less than 1,751,471* Equity Shares
C. Retail Category	Not less than 4,086,765* Equity Shares
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	50,752,920# Equity Shares
Equity Shares outstanding after the Offer	51,929,390* Equity Shares
Utilisation of Net Proceeds	See "***Objects of the Offer***" on page 85 for information about the use of the Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale.

**Subject to finalisation of Basis of Allotment*

^Our Company, in consultation with the BRLMs, has undertaken a private placement of Equity Shares aggregating to ₹ 999.99 million. Accordingly, the Fresh Issue size has been reduced to the extent of such Pre-IPO Placement.

#Equity Shares outstanding prior to the Offer includes the Equity Shares issued pursuant to the Pre-IPO Placement.

(1) The Offer has been authorized by our Board pursuant to its resolution dated November 12, 2019, and by the Shareholders pursuant to a special resolution dated November 19, 2019.

*(2) The Selling Shareholders have authorized their respective participation in the Offer for Sale as stated under "- **Notes**" below.*

(3) In the event aggregate demand in the QIB Category has been met, under-subscription, if any, in any category, except the QIB Category, is allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.

*(4) Our Company and the Selling Shareholders in consultation with the BRLMs, allocated up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors, which price was determined by the Company in consultation with the BRLMs. In the event of under subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion was required to be added back to the QIB Category. For further details, see "**Offer Procedure**" on page 324.*

Notes:

- Each of the Selling Shareholders (also our Promoters) has, severally and not jointly, authorized and confirmed inclusion of its portion of the Offered Shares as part of the Offer for Sale, as set out below:

S.No.	Name of the Selling Shareholder	Consent Letter	Maximum number of Equity Shares offered for sale
1.	Mr. Edward Menezes	December 16, 2019	5,250,000

S.No.	Name of the Selling Shareholder	Consent Letter	Maximum number of Equity Shares offered for sale
2.	Mr. Sunil Chari	December 16, 2019	5,250,000

- Pursuant to Rule 19(2)(b) of the SCRR, the Offer is being made for at least 22.49% (subject to finalisation of Basis of Allotment) of the post-Offer paid-up equity share capital of our Company.
- Allocation in all categories, except the Anchor Investor Portion if any, and the Retail Category, shall be made on a proportionate basis, subject to valid Bids being received at or above Offer Price. For more information, see "***Offer Procedure***" on page 324.

For details, including in relation to grounds for rejection of Bids, refer to "***Offer Procedure***" on page 324. For details of the terms of the Offer, see "***Terms of the Offer***" on page 317.

SUMMARY FINANCIAL INFORMATION

*The summary financial information presented below should be read in conjunction with "**Financial Statements**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 201 and 268, respectively.*

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Restated Consolidated Statement of Assets and Liabilities
(Currency: Indian Rupees in Million, unless stated otherwise)

		Particulars	As at 31st March 2020 Ind AS	As at 31st March 2019 Ind AS	As at 31st March 2018 Proforma Ind AS
	ASSETS				
I	**NON-CURRENT ASSETS**				
	(a)	Property, Plant and Equipment	817.55	680.33	437.26
	(b)	Right of Use Assets	70.15	70.91	71.68
	(c)	Capital Work-in-Progress	217.51	28.27	23.96
	(d)	Intangible Assets	47.66	59.70	0.40
	(e)	Financial Assets			
		(i) Investments	41.75	-	-
		(ii) Other Financial Assets	3.96	3.51	3.08
	(f)	Income Tax Assets (Net)	15.76	15.53	0.16
	(g)	Deferred Tax Assets	0.51	0.51	0.23
	(h)	Other Non-current Assets	237.06	42.11	13.36
	TOTAL NON-CURRENT ASSETS		**1,451.91**	**900.87**	**550.13**
II	**CURRENT ASSETS**				
	(a)	Inventories	581.70	548.99	346.14
	(b)	Financial Assets			
		(i) Investments	137.30	-	69.11
		(ii) Trade Receivables	941.36	859.19	615.59
		(iii) Cash and Cash Equivalents	292.11	57.42	6.25
		(iv) Bank Balances other than cash and cash equivalents	980.22	2.67	3.40
		(v) Other Financial Assets	53.89	13.68	8.97
	(c)	Other Current Assets	276.66	115.63	49.91
	TOTAL CURRENT ASSETS		**3,263.24**	**1,597.58**	**1,099.37**
	TOTAL ASSETS		**4,715.15**	**2,498.45**	**1649.50**
	EQUITY AND LIABILITIES				
	EQUITY				
	(a)	Equity Share Capital	101.51	44.00	44.00
	(b)	Other Equity	2,765.28	1194.12	826.80
	TOTAL EQUITY		**2,866.79**	**1238.12**	**870.80**
	Attributable to owners		2,866.79	1238.12	870.80
	Attributable to non-controlling interests		-	-	-
	TOTAL EQUITY		**2,866.79**	**1238.12**	**870.80**
	LIABILITIES				
I	**NON-CURRENT LIABILITIES**				
	(a)	Financial Liabilities			
		Borrowings	339.60	6.73	12.87
	(b)	Deferred Tax Liability (Net)	5.40	18.12	20.52
	(c)	Provisions	16.26	17.51	12.45
	TOTAL NON-CURRENT LIABILITIES		**361.26**	**42.36**	**45.84**

Restated Consolidated Statement of Assets and Liabilities
(Currency: Indian Rupees in Million, unless stated otherwise)

Particulars			As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
			Ind AS	Ind AS	Proforma Ind AS
II	**CURRENT LIABILITIES**				
	(a)	Financial Liabilities			
		(i) Borrowings	270.52	32.70	188.33
		(ii) Trade Payables			
		(a) Total outstanding dues of Small Enterprises and Micro enterprises	51.28	46.17	20.15
		(b) Total outstanding dues of creditors other than small enterprises and micro enterprises	918.76	1,013.65	419.42
		(iii) Other Financial Liabilities	161.87	100.35	76.56
	(b)	Provisions	6.66	6.02	4.64
	(c)	Current Tax Liabilities (Net)	36.61	0.28	14.40
	(d)	Other Current Liabilities	41.40	18.80	9.36
	TOTAL CURRENT LIABILITIES		**1,487.10**	**1,217.97**	**732.86**
	TOTAL EQUITY AND LIABILITIES		**4,715.15**	**2,498.45**	**1,649.50**

Restated Consolidated Statement of Profit and Loss
(Currency: Indian Rupees in Million, unless stated otherwise)

	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
		Ind AS	Ind AS	Proforma Ind AS
I	Revenue from operations	6,000.94	5162.18	2990.61
II	Other Income	37.24	9.06	13.68
III	**Total Income (I + II)**	**6,038.18**	**5171.24**	**3004.29**
IV	**EXPENSES**			
(a)	Cost of materials consumed	3,692.64	3552.25	1965.79
(b)	Changes in inventories of finished goods and work-in-progress	24.38	(159.59)	10.77
(c)	Excise Duty	-	-	68.90
(d)	Employee benefits expense	372.07	275.15	198.35
(e)	Finance costs	35.57	28.78	13.55
(f)	Depreciation and amortization expenses	168.52	122.64	51.73
(g)	Other expenses	864.41	718.09	320.46
Total Expenses		**5,157.59**	**4537.32**	**2629.55**
V	**Restated Profit before tax for the year (III - IV)**	**880.59**	**633.92**	**374.74**
VI	Share of Loss of Joint Venture	**(2.18)**	**-**	**-**
VII	**Restated Profit before tax for the year (V - VI)**	**878.41**	**633.92**	**374.74**
VIII	**Tax Expense**			
	Current tax charge	238.04	178.92	108.35
	Deferred tax (credit) / charge	(12.16)	(1.83)	12.36
	Total Tax Expense	**225.88**	**177.09**	**120.71**
IX	**Restated Profit for the year (VII - VIII)**	**652.53**	**456.83**	**254.03**
	Attributable to owners	652.53	456.83	254.03
	Attributable to non-controlling interests	-	-	-
X	**Other comprehensive Income**			
(i)	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans	(2.81)	(3.21)	(0.62)
(ii)	Income tax relating to items that will not be reclassified to profit or loss	0.56	0.92	0.19
Total Other Comprehensive Income		**(2.25)**	**(2.29)**	**(0.43)**

Restated Consolidated Statement of Profit and Loss
(Currency: Indian Rupees in Million, unless stated otherwise)

Particulars		For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
		Ind AS	**Ind AS**	**Proforma Ind AS**
	Attributable to owners	**(2.25)**	**(2.29)**	**(0.43)**
	Attributable to non-controlling interests	-	-	**-**
XI	**Total comprehensive income for the period/year (IX + X)**	**650.28**	**454.54**	**253.60**
	Attributable to owners	**650.28**	**454.54**	**253.60**
	Attributable to non-controlling interests	-	-	**-**
XII	**Earnings per equity share** *(in Rs.)*			
	Basic	13.42	9.44	5.25
	Diluted	13.23	9.44	5.25

Restated Consolidated Statement of Cash flow

(Currency: Indian Rupees in Million, unless stated otherwise)

	Particulars	For the year ended 31st March 2020 Ind AS	For the year ended 31st March 2019 Ind AS	For the year ended 31st March 2018 Proforma Ind AS
A.	**Cash flows from operating activities**			
	Restated Profit before tax	880.59	633.92	374.74
	Adjustments for:			
	Loss / (Profit) on sale of property, plant and equipment (net)	0.42	(0.01)	0.82
	Provision for expected credit loss recognized on trade receivables	0.83	-	2.57
	Depreciation and amortization expenses	168.52	122.64	51.73
	Written down of Inventory to net realisable value	4.93	16.07	-
	Finance Costs	35.57	28.78	13.55
	Dividend Income	(1.11)	(0.57)	(1.56)
	Interest Income	(15.44)	(6.55)	(5.06)
	Employees Compensation expense	4.63	-	-
	Provision/Write off of doubtful advances	1.20	-	-
	Net foreign exchange (gain)/loss	(19.99)	4.88	1.47
	Net gain arising on financial assets measured at fair value through loss	0.29	2.35	-
	Operating profit before working capital Changes	**1,060.44**	**801.51**	**438.26**
	Changes in:			
	Trade receivables and other assets	(204.06)	(344.23)	(108.79)
	Inventories	(37.65)	(214.02)	(101.20)
	Trade payables and other liabilities	(68.97)	672.16	110.85
	Cash generated from operations	**749.76**	**915.45**	**339.12**
	Income taxes paid (Net of refunds)	(201.48)	(203.68)	(83.43)
	Net cash flow generated from operating activities	**548.28**	**711.77**	**255.69**
B.	**Cash flows from investing activities**			
	Net (Investment)/Proceeds on sales in financial assets - Mutual Fund	(137.38)	69.39	(69.11)
	Investment in joint venture	(43.93)	-	-
	Dividend Received	1.11	0.57	1.55
	Interest Received	13.86	5.23	5.06
	Payments for property, plant and equipment and intangible assets	(759.71)	(439.91)	(139.25)
	Proceeds from disposal of property, plant and equipment	0.83	0.01	-
	(Increase)/Decrease in earmarked and margin account (Net)	(977.79)	0.49	(2.62)
	Net cash flow used in investing activities	**(1,903.01)**	**(364.22)**	**(204.37)**
C.	**Cash flows from financing activities**			
	Proceeds from / (Repayment of) short term borrowing (Net)	249.40	(148.82)	(37.32)
	Proceeds of loans from related parties	(11.58)	354.12	-

Restated Consolidated Statement of Cash flow
(Currency: Indian Rupees in Million, unless stated otherwise)

Particulars	For the year ended 31st March 2020 Ind AS	For the year ended 31st March 2019 Ind AS	For the year ended 31st March 2018 Proforma Ind AS
Repayment of loans from related parties	-	(360.92)	-
Proceeds from long-term borrowings	403.67	3.23	-
Repayment of long-term borrowings	(12.58)	(11.80)	(11.39)
Interest paid	(33.00)	(21.39)	(13.59)
Dividend paid on equity shares	(26.48)	(105.92)	(2.65)
Issue of Share capital	4.71	-	-
Share Premium received	995.29	-	-
Net cash flow generated from / (used in) in financing activities	**1,569.43**	**(291.50)**	**(64.95)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	214.70	56.05	(13.63)
Opening Cash and cash equivalents	57.42	6.25	21.35
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	19.99	(4.88)	(1.47)
Closing Cash and cash equivalents	**292.11**	**57.42**	**6.25**

GENERAL INFORMATION

Our Company was initially incorporated as "*Rossari Labtech*" on March 6, 2003, as a partnership firm under the Indian Partnership Act, 1932, pursuant to a certificate of registration dated June 22, 2003, issued by the Registrar of Firms, Mumbai. The name of the partnership firm was changed to "*Rossari Biotech*" on December 5, 2003 and further the firm converted into a joint stock company on August 10, 2009, under part IX of the Companies Act, 1956, as "*Rossari Biotech Limited*" with a certificate of incorporation granted by the RoC. We received our certificate of commencement of business on August 13, 2009. For details of the change in the registered office of our Company, see "***History and Certain Corporate Matters - Changes in the Registered and Corporate Office***" on page 173.

Registration Number: 194818

Corporate Identity Number: U24100MH2009PLC194818

Registered and Corporate Office

201 A - B, 2nd Floor, Akruti Corporate Park
L.B.S. Marg, Next to GE Gardens
Kanjurmarg (W)
Mumbai 400 079, India

Address of the Registrar of Companies

Our Company is registered with the RoC, located at the following address:

Registrar of Companies, Maharashtra at Mumbai
100, Everest, Marine Drive
Mumbai 400 002
India
Telephone: (+91 22) 2281 2627

Board of Directors

The following table sets out details regarding our Board as on the date of this Prospectus:

Name and Designation	DIN	Address
Mr. Edward Menezes *Designation:* Executive Chairman	00149205	601 Gem House, Lake Boulevard Street, Near Panchkutir, Hiranandani Gardens, Powai, Mumbai 400 076, Maharashtra, India
Mr. Sunil Chari *Designation:* Managing Director	00149083	27A & 27B, Eden Bunglow CHS LTD., Hiranandani Gardens, Powai, Mumbai 400 076, Maharashtra, India
Mr. Goutam Bhattacharya *Designation:* Independent Director	00917357	18, Green Gardens W.T. Patil Marg, Mumbai 400 088, Maharashtra, India
Ms. Meher Castelino *Designation:* Independent Director	07121874	Deepak Building, 6th Floor, Flat No.54, Pedder Road, Mumbai 400 026, Maharashtra, India
Mr. Aseem Dhru *Designation:* Independent Director	01761455	B-12 Ahuja Towers, Rajabhau Anant Desai Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India
Mr. Robin Banerjee *Designation:* Independent Director	00008893	102/103 Ashok Garden, Tower 1, C Wing, T.J Road, Lower Parel, Mumbai 400 015, Maharashtra, India
Mr. Sharabh Pachory *Designation:* Independent Director	08577249	D1/152 Charmwood Villa, Sushant Golf City, Lucknow 226 030, Uttar Pradesh, India

For brief profiles and further details in respect of our Directors, see "***Our Management***" on page 178.

Company Secretary and Compliance Officer

Ms. Parul Gupta is our Company Secretary and Compliance Officer. Her contact details are as follows:

Ms. Parul Gupta
201 A - B, 2nd Floor, Akruti Corporate Park
L.B.S. Marg, Next to GE Gardens
Kanjurmarg (W)
Mumbai 400 079, India
Tel: (+91 22) 61233800
Email: cs@rossarimail.com

Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of Allotment Advice, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All Offer related grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

Book Running Lead Managers and Syndicate Members

Axis Capital Limited 1st Floor, Axis House C-2, Wadia International Centre, P.B. Marg Worli Mumbai 400 025, Maharashtra, India **Tel:** (+ 91 22) 4325 2183 **E-mail:** rbl@axiscap.in **Website:** www.axiscapital.co.in **Investor grievance E-mail:** complaints@axiscap.in **Contact person:** Ms. Simran Gadh **SEBI Registration No.:** INM000012029	**ICICI Securities Limited** ICICI Centre, H.T. Parekh Marg Churchgate, Mumbai 400 020 Maharashtra, India **Tel:** (+91 22) 2288 2460 **Email**: rossari.ipo@icicisecurities.com **Website:** www.icicisecurities.com **Investor Grievance E-mail**: customercare@icicisecurities.com **Contact person:** Mr. Arjun A. Mehrotra / Mr. Rupesh Khant **SEBI Registration No:** INM000011179

Statement of *inter se* allocation of responsibilities among the Book Running Lead Managers

The responsibilities and co-ordination by the BRLMs for various activities in this Offer are as follows:

S. No.	Activity	Responsibility	Coordinator
1.	Pre-offer due diligence of our Company's operations/ management/ business plans/ legal. Drafting and designing of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing of the same and drafting and approval of all statutory advertisements.	BRLMs	Axis
2.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments.	BRLMs	Axis
3.	• Appointment of Banker(s) to the Offer and printer. • Appointment of advertising agency including co-ordination for agreements to appoint the ad agency	BRLMs	Axis

S. No.	Activity	Responsibility	Coordinator
	• Appointment of Registrar to the Offer including co-ordination for agreements to appoint the Registrar to the Offer. Appointment of Monitoring Agency to the Offer including co-ordination for agreements to appoint the Monitoring Agency to the Offer.		
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in (1) above including corporate advertisement, brochure	BRLMs	I-Sec
5.	International institutional marketing including co-ordination for research briefing, allocation of investors for meetings and finalize roadshow schedules, preparation and finalisation of the road-show presentation and frequently asked questions.	BRLMs	I-Sec
6.	Domestic institutional marketing including banks/ mutual funds and allocation of investors for meetings and finalizing road show schedules	BRLMs	Axis
7.	Non-Institutional marketing of the Offer, which will cover, *inter alia*: • Formulating marketing strategies for Non-Institutional Investors; Finalising media, marketing and public relations strategy	BRLMs	Axis
8.	Retail marketing of the Offer, which will cover, *inter alia*, • Formulating marketing strategies • Preparation of publicity budget, finalizing media and public relations strategy. • Finalizing centres for holding conferences for brokers • Finalizing collection centres; and • Follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material	BRLMs	I-Sec
9.	Coordination with Stock Exchanges for book building process, filing of letters including software, bidding terminals, mock trading and anchor investor intimation, and payment of 1% security deposit to the designated stock exchange.	BRLMs	I-Sec
10.	Pricing and managing the book	BRLMs	I-Sec
11.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc. Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and co-ordination with various agencies connected with the post-Offer activity such as registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. Payment of the applicable securities transactions tax on sale of unlisted equity shares by the Selling Shareholder under the Offer for Sale to the Government and filing of the securities transactions tax return by the prescribed due date as per Chapter VII of Finance(No. 2) Act, 2004 Finalizing & filing of media compliance report to SEBI. Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the initial and final post Offer report to SEBI	BRLMs	I-Sec

Legal Counsel to the Company as to Indian Law

Shardul Amarchand Mangaldas & Co
Amarchand Towers

216, Okhla Industrial Estate Phase III
New Delhi 110 020
India
Telephone: (+91 11) 4159 0700

Legal Counsel to the BRLMs as to Indian Law

J. Sagar Associates
Vakils House
18 Sprott Road, Ballard Estate
Mumbai 400 001
Tel: (+91 22) 4341 8600

Special Purpose International Legal Counsel to the BRLMs

Squire Patton Boggs Singapore LLP
10 Collyer Quay
#03-01/02 Ocean Financial Centre
Singapore 049 315
Republic of Singapore
Tel: (+65) 6922 8668

Advisor to the Offer

Axcelus Finserv Private Limited
10th Floor, Tower B, Parinee Crescenzo
G-Block, Bandra Kurla Complex
Bandra East, Mumbai 400 051
Maharashtra, India
Tel: (+91 22) 6462 0866

Registrar to the Offer

Link Intime India Private Limited
C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg, Vikhroli (West)
Mumbai 400 083
Maharashtra, India
Tel: (+91 22) 4918 6200
Email: rossaribio.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
SEBI Registration No: INR000004058

Escrow Collection Bank, **Public Offer Account Bank, Refund Bank**

Axis Bank Limited
Apsara CHS, Ground Floor
Kanjur-Village Road, Kanjurmarg East
Mumbai 400 042
Maharashtra, India
Tel: (+91 22) 2577 0311/12/13
Email: kanjurmargeast.branchhead@axisbank.com
Website: www.axisbank.com
SEBI Registration No.: INBI00000017

Sponsor Bank

ICICI Bank Limited
Capital Market Division, 1st Floor

122, Mistry Bhavan, Dinshaw Vachha Road
Backbay Reclamation, Churchgate
Mumbai 400 020
Maharashtra, India
Tel: (+91 22) 6681 8911/23/24
Email: kmr.saurabh@icicibank.com
Website: www.icicibank.com
SEBI Registration No.: INBI00000004

Self Certified Syndicate Banks

The list of SCSBs is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the website of SEBI, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which a Bidder (other than an Anchor Investor), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP could submit the Bid cum Application Forms is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

SCSBs enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding using the UPI Mechanism could apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as '**Annexure A**' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Bidders (other than Anchor Investors) could submit Bid cum Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and at the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes. The list comprising the details of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time.

Statutory Auditors of our Company

Deloitte Haskins & Sells LLP
Lotus Corporate Park, 1st Floor, Wing A-G
CST No. 185/A, Jay Coah Off WEH,
Goregaon (East), Mumbai 400 063
Maharashtra, India
Telephone: (+91 22) 6245 1000
E-mail: keraje@deloitte.com
Peer Review No.: 009919
Firm Registration No.: 117366W/W-100018

Changes in auditors

Except as disclosed below, there has been no change in the statutory auditors of the Company during the last three years:

Name of the auditors	Date of change	Reason for change

V.I. Bhatia & Co. 103, Gateway Plaza Hiranandani Gardens, Powai Mumbai 400 076, Maharashtra, India **E-mail**: vijaybhatia@email.com **Peer Review No.**: Nil **Firm Registration No**.: 101319W	September 29, 2018	Due to pre-occupation
Deloitte Haskins & Sells LLP Lotus Corporate Park, 1st Floor Wing A-G, CST No. 185/A Jay Coach Off WEH, Goregaon (East) Mumbai 400 063, Maharashtra, India **E-mail**: keraje@deloitte.com **Peer Review No.:** 009919 **Firm Registration No**.: 117366W/W100018	September 29, 2018	Appointment as Statutory Auditors to fill the vacancy caused by the resignation of V.I. Bhatia & Co.

Bankers to our Company

Hongkong and Shanghai Banking Corporation Limited
52/60, MG Road, Fort
Mumbai 400 001
Maharashtra, India
Tel: (+91) 99869 99552
Website: www.hsbc.co.in
Contact Person: Mr. Gaurav S Godwani
E-mail: gauravgodwani@hsbc.co.in

HDFC Bank Limited
Tradestar, 3rd Floor, A Wing
Andheri Kurla Road
Andheri (East), Mumbai 400 059
Maharashtra, India
Telephone: (+91) 74988 84406
Website: www.hdfcbank.com
Contact Person: Mr. Vikrant Vishwanath Kemnaik
E-mail: vikrant.kemnaik@hdfcbank.com

State Bank of India
"Bullet", 2/80 , 2/10/, Lakhamashi Nappu Road
Opp. Raja Shivaji Vidyalaya, Hindu Colony
Dadar (E), Mumbai 400 014
Maharashtra, India
Tel: (+91 22) 2417 0275
Website: www.sbi.co.in
Contact Person: Mr. Ankur Gupta
E-mail: ankur.gupta6@sbi.co.in

Axis Bank Limited
Axis House, C-2 Wadia International Center
Pandurang Budhkar Marg, Worli
Mumbai 400 025
Maharashtra, India
Tel: (+91) 91967932849
Website: www.axisbank.com
Contact Person: Mr. Anubhav Srivastava
E-mail: anubhav.srivastava@axisbank.com

Grading of the Offer

No credit rating agency registered with SEBI has been appointed for grading of the Offer.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Monitoring Agency

Our Company has appointed Axis Bank Limited as the monitoring agency to monitor utilization of the Net Proceeds and the proceeds from the Pre-IPO Placement, in accordance with Regulation 41 of the SEBI ICDR Regulations, prior to the filing of the Red Herring Prospectus.

Axis Bank Limited
The Ruby, 2nd Floor**,** South Wing
29 Senapati Bapat Marg
Dadar West
Mumbai, 400028
Maharashtra, India
Tel: (+91 22) 6230 0451
Email: ablservices@axisbank.com; Kanjurmarg.Branchhead@axisbank.com
Website: www.axisbank.com

Expert

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated July 16, 2020 from the Statutory Auditor namely to include its name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Prospectus as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated July 1, 2020 on our restated financial information; and (ii) its report dated July 1, 2020 on the statement of special tax benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

Additionally, our Company has also received a letter dated July 3, 2020 from Mr. Paresh Bodar, Independent Chartered Engineer, to include his name in this Prospectus as required under the Companies Act 2013 and as an "expert" as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013.

Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

Trustees

As the Offer is of Equity Shares, the appointment of trustees is not required.

Filing of the Draft Red Herring Prospectus

A copy of the Draft Red Herring Prospectus was filed with SEBI at:

Securities and Exchange Board of India
Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, 'G' Block
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Maharashtra, India

A copy of the Red Herring Prospectus, along with the material contracts and documents referred to in the Red Herring Prospectus, has been and a copy of this Prospectus will be filed at:

The Registrar of Companies

Maharashtra, Mumbai
Everest, 5th Floor
100 Marine Drive
Mumbai 400 002
Maharashtra, India

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band. The Price Band was decided by our Company, Selling Shareholders, in consultation with the BRLMs, and advertised in all editions of Financial Express (a widely circulated English national daily newspaper) and all editions of Jansatta (a widely circulated Hindi national daily newspaper) and all editions of Navshakti (a widely circulated Marathi national daily newspaper, Marathi being the regional language of Mumbai where our Registered and Corporate Office is located), at least two Working Days prior to the Bid/ Offer Opening Date and was made available to the Stock Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price has been determined by our Company in consultation with the BRLMs after the Bid/Offer Closing Date.

All Investors (other than Anchor Investors) could participate in this Offer only through the ASBA process. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors were permitted to revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors were not allowed to revise or withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to Retail Individual Investors and the Anchor Investors, allocation in the Offer has been on a proportionate basis. For further details on method and process of Bidding, see "*Offer Structure*" and "*Offer Procedure*" on pages 321 and 324, respectively.

The Book Building Process is subject to change. Investors are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Investors should note the Offer is also subject to obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

Underwriting Agreement

Our Company and the Selling Shareholders have entered into an underwriting agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated July 16, 2020. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, address, telephone and e-mail of the Underwriters	Indicative Number of Equity Shares to be Underwritten*	Amount Underwritten (₹ in million)
Axis Capital Limited 1st Floor, Axis House C-2, Wadia International Centre, P.B. Marg Worli Mumbai 400 025, Maharashtra, India **Tel:** (+ 91 22) 4325 2183 **E-mail:** rbl@axiscap.in	5,838,235	2,481.25
ICICI Securities Limited ICICI Centre, H.T. Parekh Marg Churchgate, Mumbai 400 020	5,838,235	2,481.25

Name, address, telephone and e-mail of the Underwriters	Indicative Number of Equity Shares to be Underwritten*	Amount Underwritten (₹ in million)
Maharashtra, India **Tel:** (+91 22) 2288 2460 **Email**: rossari.ipo@icicisecurities.com		

**Subject to finalisation of Basis of Allotment*

The abovementioned amounts are provided for indicative purposes only and will be finalised after the actual allocation and subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Prospectus, is set forth below:

(in ₹, except share data)

	Particulars	Aggregate nominal value	Aggregate value at Offer Price
A)	**AUTHORIZED SHARE CAPITAL***		
	60,000,000 Equity Shares of face value of ₹ 2 each	120,000,000	-
B)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER**		
	50,752,920^^ Equity Shares of face value of ₹ 2 each	101,505,840	-
C)	**OFFER**		
	Offer of 11,676,470** Equity Shares aggregating ₹ 4,962.50** million	23,352,940	4,962,499,750
	Of which:		
	Fresh Issue of 1,176,470** Equity Shares aggregating to ₹ 500.00 million#^	2,352,940	499,999,750
	Offer for Sale of 10,500,000** Equity Shares aggregating ₹ 4,462.50** million##	21,000,000	4,462,500,000
D)	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER**		
	51,929,390** Equity Shares of face value of ₹ 2 each	103,858,780	-
E)	**SECURITIES PREMIUM ACCOUNT**		
	Prior to the Offer		1,151,285,160
	After the Offer**		1,586,299,775

* *For details in relation to changes in the authorized share capital of our Company, see "**History and Certain Corporate Matters – Amendments to the Memorandum of Association**" on page 173.*
** *Subject to finalisation of Basis of Allotment.*
# *The Offer has been authorized by our Board pursuant to its resolution dated November 12, 2019 and by a special resolution of our Shareholders adopted at the meeting held on November 19, 2019.*
*Each of the Selling Shareholders has authorized the sale of its respective portions in the Offer for Sale. For details see "**The Offer**" and "**Other Regulatory and Statutory Disclosures**" on pages 53 and 307, respectively.*
^ *Our Company, in consultation with the BRLMs, has undertaken a Pre-IPO Placement. Accordingly, the Fresh Issue has been reduced to the extent of such Pre-IPO Placement.*
^^ *Equity Shares outstanding prior to the Offer includes the Equity Shares issued pursuant to the Pre-IPO Placement.*

Notes to Capital Structure

1. Equity Share Capital History of our Company

The following table sets forth the history of the equity share capital of our Company.

Date of allotment	Names of allottee	Reason / nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration
August 5, 2009^	217,500 Equity Shares each to Mr. Edward Menezes and Mr. Sunil Chari, 5,000 Equity Shares to RBIPL*, and 15,000 Equity Shares each to Ms. Jyotishna Chari, Ms. Usha Chari, Ms. Anita Menezes and Mr. Mikhail Menezes.	Initial subscription to the Memorandum of Association	500,000	10	10.00	Cash
March 31, 2011	1,735,120 Equity Shares each to Mr. Edward Menezes and Mr. Sunil Chari, 80,280 Equity Shares each to Ms. Jyotishna Chari and Anita Menezes and 269,200 Equity Shares to RBIPL.(1)	Preferential Allotment	3,900,000	10	50	Cash
November 19, 2019	Pursuant to a special resolution dated November 19, 2019, 5,000,000 equity shares (authorised share capital) of face value of ₹ 10 each was split into 25,000,000 Equity Shares of face value of ₹ 2 each. Accordingly					

Date of allotment	Names of allottee	Reason / nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration
	4,400,000 paid-up equity shares of face value of ₹ 10 each was split into 22,000,000 Equity Shares of face value of ₹ 2 each.					
December 12, 2019	11,655,720 Equity Shares each to Mr. Edward Menezes and Mr. Sunil Chari, 571,680 Equity Shares each to Ms. Jyotishna Chari and Anita Menezes, 1,645,200 Equity Shares to RBIPL, 90,000 Equity Shares each to Mr. Mikhail Menezes and Mr. Yash Chari and 60,000 Equity Shares each to the Menezes Family Trust and the Chari Family Trust.	Bonus issue in the ratio of 6 Equity Shares for every 5 Equity Shares held on the record date, i.e. December 11, 2019	26,400,000	2	N.A	N.A
February 27, 2020	235,300 Equity Shares each to IIFL Special Opportunities Fund – Series 4 and ICICI Lombard General Insurance Company Limited, 352,930 Equity Shares each to Axis New Opportunities AIF-I, India Acorn Fund LTD and Infina Finance Private Limited, 47,060 Equity Shares to Mirae Asset Health Care Fund, 11,766 Equity Shares to Mirae Asset Equity Savings Fund, 176,474 Equity Shares to Mirae Asset Mid Cap Fund, 37,887 Equity Shares to Sundaram Mutual Fund A/C Sundaram Select Micro Cap Series –XIV, 42,588 Equity Shares to Sundaram Mutual Fund A/C Sundaram Select Micro Cap Series –XV, 30,824 Equity Shares each to Sundaram Mutual Fund A/C Sundaram Select Micro Cap Series –XVI and Sundaram Mutual Fund A/C Sundaram Select Micro Cap Series –XVII, 23,765 Equity Shares to Sundaram Mutual Fund A/C Sundaram	Pre-IPO Placement	2,352,920	2	425	Cash

Date of allotment	Names of allottee	Reason / nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration
	Long Term Tax Advantage Fund – Series – III, 44,471 Equity Shares to Sundaram Mutual Fund A/C Sundaram Emerging Small Cap – Series I, 24,941 Equity Shares to Sundaram Mutual Fund A/C Sundaram Emerging Small Cap – Series II, 299,990 Equity Shares to Malabar India Fund Limited and 52,940 Equity Shares to Malabar Value Fund.					

^The date of the MoA is August 5, 2009. However, our Company received the certificate of incorporation on August 10, 2019.

**5,000 Equity Shares allotted to RBIPL through its director Mr. Sunil Chari.*

(1) (i) Issuance of 1,357,620 Equity Shares each to Mr. Edward Menezes and Mr. Sunil Chari, 77,280 Equity Shares each to Ms. Jyotishna Chari and Anita Menezes , and 269,200 Equity Shares to RBIPL pursuant to conversion of unsecured loan of ₹ 156.00 million at an issue price of ₹ 50 per Equity Share (inclusive of a premium of ₹ 40 each) in accordance with Section 81 (1) (a) of the Companies Act 1956, and (ii) issuance of 377,500 Equity Shares each to Mr. Edward Menezes and Mr. Sunil Chari, 3,000 Equity Shares each to Ms. Jyotishna Chari and Ms. Anita Menezes through a preferential allotment (conversion of share application money pending allotment).

(a) Equity shares issued for consideration other than cash

Except set out below, our Company has not issued any Equity Shares for consideration other than cash since its incorporation.

Date of allotment	Names of allottee	Reason/nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration
December 12, 2019	11,655,720 Equity Shares each to Mr. Edward Menezes and Mr. Sunil Chari, 571,680 Equity Shares each to Ms. Jyotishna Chari and Anita Menezes, 1,645,200 Equity Shares to RBIPL, 90,000 Equity Shares each to Mr. Mikhail Menezes and Mr. Yash Chari and 60,000 Equity Shares each to the Menezes Family Trust and the Chari Family Trust.	Bonus issue in the ratio of 6 Equity Shares for every 5 Equity Shares held on the record date, i.e. December 11, 2019	26,400,000	2	N.A	N.A

(b) Equity shares issued out of revaluation reserves

Our Company has not issued any Equity Shares out of revaluation reserves since its incorporation.

(c) Offer of Equity Shares pursuant to schemes of arrangement

Our Company has not allotted any Equity Shares pursuant to a scheme of amalgamation approved under Section 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act 2013.

(d) Issue of Equity Shares at a price lower than the Offer Price

Except as disclosed below, our Company has not issued any Equity Shares in the last one year immediately preceding the date of this Prospectus at a price which may be lower than the Offer Price.

Date of allotment	Names of allottee	Reason/nature of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration
December 12, 2019	11,655,720 Equity Shares each to Mr. Edward Menezes and Mr. Sunil Chari, 571,680 Equity Shares each to Ms. Jyotishna Chari and Anita Menezes, 1,645,200 Equity Shares to RBIPL, 90,000 Equity Shares each to Mr. Mikhail Menezes and Mr. Yash Chari and 60,000 Equity Shares each to the Menezes Family Trust and the Chari Family Trust.	Bonus issue in the ratio of 6 Equity Shares for every 5 Equity Shares held on the record date, i.e. December 11, 2019	26,400,000	2	N.A	N.A
February 27, 2020	235,300 Equity Shares each to IIFL Special Opportunities Fund – Series 4 and ICICI Lombard General Insurance Company Limited, 352,930 Equity Shares each to Axis New Opportunities AIF-I, India Acorn Fund LTD and Infina Finance Private Limited, 47,060 Equity Shares to Mirae Asset Health Care Fund, 11,766 Equity Shares to Mirae Asset Equity Savings Fund, 176,474 Equity Shares to Mirae Asset Mid Cap Fund, 37,887 Equity Shares to Sundaram Mutual Fund A/C Sundaram Select Micro Cap Series –XIV, 42,588 Equity Shares to Sundaram Mutual Fund A/C Sundaram Select Micro Cap Series –XV, 30,824 Equity Shares each to	Pre-IPO Placement	2,352,920	2	425	Cash

	Sundaram Mutual Fund A/C Sundaram Select Micro Cap Series –XVI and Sundaram Mutual Fund A/C Sundaram Select Micro Cap Series –XVII, 23,765 Equity Shares to Sundaram Mutual Fund A/C Sundaram Long Term Tax Advantage Fund – Series – III, 44,471 Equity Shares to Sundaram Mutual Fund A/C Sundaram Emerging Small Cap – Series I, 24,941 Equity Shares to Sundaram Mutual Fund A/C Sundaram Emerging Small Cap – Series II, 299,990 Equity Shares to Malabar India Fund Limited and 52,940 Equity Shares to Malabar Value Fund.	

(e) Issue of Equity Shares under employee stock option schemes

As on the date of this Prospectus, our Company has not made any issuance of Equity Shares under any employee stock option scheme.

History of the Equity Share Capital held by our Promoters

As on the date of this Prospectus, our Promoters, Mr. Edward Menezes and Mr. Sunil Chari together hold 42,708,140 Equity Shares, constituting 84.15 % of the issued, subscribed and paid-up Equity Share capital of our Company. The details regarding our Promoter's shareholding is set out below:

(a) Build-up of our Promoters' shareholding in our Company

Date of allotment / Transfer	Nature of acquisition / transfer	No. of equity shares	Nature of consideration	Face value per equity share (₹)	Issue / purchase price per equity share (₹)	Percentage of pre-Offer equity share capital (%)	Percentage of post Offer equity share capital* (%)
(A) Mr. Edward Menezes							
August 5, 2009^	Allotment to the Promoter as initial subscriber to the MoA	217,500	Cash	10	10	0.43	0.42
March 31, 2011	Further issue	1,735,120	Cash	10	50	3.42	3.34
November 19, 2019	Pursuant to a special resolution dated November 19, 2019, 5,000,000 equity shares (authorised share capital) of face value of ₹ 10 each were split into 25,000,000 Equity Shares of face value of ₹ 2 each. Accordingly 4,400,000 paid-up equity shares of face value of ₹ 10 each were split into 22,000,000 Equity Shares of face value of ₹ 2 each						
December 9, 2019	Transfer to the Menezes Family Trust	50,000	Gift	2	N.A	N.A	0.10

Date of allotment / Transfer	Nature of acquisition / transfer	No. of equity shares	Nature of consideration	Face value per equity share (₹)	Issue / purchase price per equity share (₹)	Percentage of pre-Offer equity share capital (%)	Percentage of post Offer equity share capital* (%)
December 12, 2019	Bonus issue in the ratio of 6 Equity Shares for every 5 Equity Shares held on the record date, i.e. December 11, 2019	11,655,720	Other than cash	2	N.A	22.97	22.45
(A) Sub-Total		**21,368,820**				**42.10**	**41.15**
(B) Mr. Sunil Chari							
August 5, 2009^	Allotment to the Promoter as initial subscriber to the MoA	217,500	Cash	10	10	0.43	0.42
March 31, 2011	Further issue	1,735,120	Cash	10	50	3.42	3.34
November 19, 2019	Pursuant to a special resolution dated November 19, 2019, 5,000,000 equity shares (authorised share capital) of face value of ₹ 10 each were split into 25,000,000 Equity Shares of face value of ₹ 2 each. Accordingly 4,400,000 paid-up equity shares of face value of ₹ 10 each were split into 22,000,000 Equity Shares of face value of ₹ 2 each						
December 9, 2019	Transfer to the Chari Family Trust	50,000	Gift	2	N.A	N.A	0.10
December 12, 2019	Bonus issue in the ratio of 6 Equity Shares for every 5 Equity Shares held on the record date, i.e. December 11, 2019	11,655,720	Other than cash	2	N.A	22.97	22.45
February 28, 2020	Transfer of 29,500 Equity Shares of the Company held by Mr. Sunil Chari to Mr. Uday Kamat and Mr. Shashikant Shanbhag	29,500	Cash	2	425	0.06	0.06
(B) Sub-Total		**21,339,320**				**42.05**	**41.09**
Grand Total (A + B)		**42,708,140**				**84.15**	**82.24**

^ *The date of the MoA is August 5, 2009. However, our Company received the certificate of incorporation on August 10, 2019.*
* *Subject to finalisation of Basis of Allotment.*

(b) Equity shareholding of our Promoters and Promoter Group

Set forth below is the equity shareholding of our Promoters and Promoter Group as on the date of this Prospectus:

S. No.	Shareholder	No. of Equity Shares of face value of ₹ 2 each held	Percentage of Equity Share Capital held (%)
1.	Mr. Edward Menezes	21,368,820	42.10
2.	Mr. Sunil Chari	21,339,320	42.05

S. No.	Shareholder	No. of Equity Shares of face value of ₹ 2 each held	Percentage of Equity Share Capital held (%)
3.	RBIPL	3,016,200	5.94
4.	Ms. Jyotishna Chari	1,000,330	1.97
5.	Ms. Anita Menezes	1,002,630	1.98
6.	Mr. Mikhail Menezes	133,200	0.26
7.	Mr. Yash Chari	165,000	0.33
8.	Menezes Family Trust	110,000	0.22
9.	Chari Family Trust	110,000	0.22
	Total	**48,245,500**	**95.06**

Other than as mentioned above, none of the members of the Promoter Group, hold any Equity Shares as of the date of this Prospectus.

(c) Details of Promoter's contribution locked-in for three years

Pursuant to Regulation 14(1) and Regulation 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post Offer Equity Share capital of our Company held by our Promoter shall be considered as minimum promoters' contribution and locked-in for a period of three years from the date of Allotment ("**Promoters' Contribution**").

Details of the Equity Shares to be locked-in for three years from the date of Allotment as minimum Promoter's contribution are set forth in the table below:

Name of Promoter	Date of allotment / Transfer	Date of Transaction and when made fully paid-up	Nature of transaction	Face value Per Equity Share (₹)	Issue/ Acquisition price per Equity Share (₹)	No. of Equity Shares Locked-in*	Percentage of the pre- Offer paid-up capital (%)	Percentage of the post Offer paid-up capital** (%)
Mr. Edward Menezes	August 5, 2009	August 5, 2009	Allotment to the Promoter as initial subscriber to the MoA	2	NA	1,087,500	2.14	2.09
Mr. Edward Menezes	March 31, 2011	March 31, 2011	Further issue	2	NA	4,105,439	8.09	7.91
Mr. Sunil Chari	August 5, 2009	August 5, 2009	Allotment to the Promoter as initial subscriber to the MoA	2	NA	1,087,500	2.14	2.09
Mr. Sunil Chari	March 31, 2011	March 31, 2011	Further issue	2	NA	4,105,439	8.09	7.91
Total						**10,385,878**	**20.46**	**20.00**

* *Pursuant to the special resolution dated November 19, 2019, the equity shares of our Company were sub-divided from face value of ₹ 10 to ₹ 2. Accordingly, the number of Equity Shares that have been locked-in have been considered post such sub-division.*
** *Subject to finalisation of Basis of Allotment.*

All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares, as the case may be.

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as the Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoters' Contribution from the date of filing of this Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

The minimum Promoters' Contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

i. The Equity Shares offered for Promoters' Contribution do not include (a) Equity Shares acquired in the three immediately preceding years for consideration other than cash, and revaluation of assets or capitalisation of intangible assets; or (b) bonus Equity Shares issued out of revaluation reserves or unrealised profits of our Company or bonus Equity Shares issued against Equity Shares, which are otherwise ineligible for computation of promoter's contribution;

ii. The promoter's contribution does not include any Equity Shares acquired during the immediately preceding one year and at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

iii. Our Company has been formed by conversion of a partnership firm into a company, however no Equity Shares have been issued in the one year immediately preceding the date of this Prospectus pursuant to conversion of a partnership firm, and the Equity Shares offered for Promoter's Contribution have not been issued on account of the conversion of a partnership firm into a company. For further details, please see "***History and Certain Corporate Matters***" on page 173;

iv. The Equity Shares forming part of the promoter's contribution are not subject to any pledge; and

v. All the Equity Shares held by our Promoters are held in dematerialized form prior to filing of this Prospectus.

2. ***Other Lock-in requirements***

(i) In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by the Promoters and locked in for three years as specified above, and pursuant to Regulation 17 of the SEBI ICDR Regulations (a) the entire pre-Offer Equity Share capital of our Company, other than the Equity Shares Allotted pursuant to the Offer; and (b) any unsubscribed portion of the Offer for Sale by the Promoters, will be locked-in for a period of one year from the date of Allotment. Further, pursuant to Regulation 17(c) of the SEBI ICDR Regulations, the entire pre-Offer shareholding of IIFL Special Opportunities Fund – Series 4 and Axis New Opportunities AIF-I, shall be locked-in for a period of one year from the date of the allotment of Equity Shares to them, being February 27, 2020;

(ii) Pursuant to Regulation 22 of the SEBI ICDR Regulations, (a) the Equity Shares held by the Promoters, which are locked-in may be transferred to and among the members of the Promoter Group or to any new Promoters or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable and (b) the Equity Shares held by persons other than the Promoters and locked-in for a period of (i) one year from the date of Allotment in the Offer; and (ii) in case of IIFL Special Opportunities Fund – Series 4 and Axis New Opportunities AIF-I, one year from the date of the allotment of Equity Shares to them, being February 27, 2020, may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations;

(iii) Pursuant to Regulation 21(a) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters, which are locked-in for a period of three years from the date of Allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such loans have been granted for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is a term of sanction of such loans;

(iv) Pursuant to Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans; and

(v) Any Equity Shares allotted to Anchor Investors pursuant to the Offer under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

3. Our shareholding pattern

Set forth below is the shareholding pattern of our Company as on the date of this Prospectus.

Category (I)	Category of the Shareholder (II)	No. of Shareholders (III)	No. of fully paid up equity shares held (IV)	No. of partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	No. of Voting Rights held in each class of securities (IX)		No. of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a % of diluted share capital (XI)=(VII)+ (X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No. of Voting Rights (X) Total	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)	
(A)	Promoter & Promoter Group	9	48,245,500	-	-	48,245,500	95.06	48,245,500	95.06	-	95.06	-	-	-	-	48,245,500
(B)	Public	39	2,507,420	-	-	2,507,420	4.94	2,507,420	4.94	-	4.94	-	-	-	-	2,507,420
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(1)	Shares underlying Custodian/Depository Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Shares held by Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	48	50,752,920	-	-	50,752,920	100	50,752,920	100	-	100	-	-	-	-	50,752,920

4. The BRLMs and their respective associates (as defined under the SEBI Merchant Bankers Regulations) do not hold any Equity Shares as on the date of this Prospectus.

5. **Shareholding of our Directors and Key Managerial Personnel in our Company**

Except as stated below, none of our Directors or Key Managerial Personnel hold any Equity Shares in our Company.

S. No.	Shareholder	Number of Equity Shares of face value of ₹ 2 each held	Percentage of Equity Share Capital held (%)
1.	Mr. Edward Menezes	21,368,820	42.10
2.	Mr. Sunil Chari	21,339,320	42.05
3.	Mr. Mikhail Menezes	133,200	0.26
4.	Mr. Yash Chari	165,000	0.33
	Total	**43,006,340**	**84.74**

6. **Details of shareholding of the major Shareholders of our Company**

(a) As on the date of this Prospectus, our Company has 48 Shareholders:

(b) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company (i) as on date of this Prospectus and (ii) as of 10 days prior to the date of this Prospectus:

S. No.	Shareholder	Number of Equity Shares of face value of ₹ 2 each held	Percentage of Equity Share Capital held (%)
1.	Mr. Edward Menezes	21,368,820	42.10
2.	Mr. Sunil Chari	21,339,320	42.05
3.	RBIPL	3,016,200	5.94
4.	Ms. Jyotishna Chari	1,000,330	1.97
5.	Ms. Anita Menezes	1,002,630	1.98
	Total	**47,727,300**	**94.04**

(c) Set forth below are details of Shareholders holding 1% or more of the paid-up share capital of our Company as of (i) one year, and (ii) two years, prior to the date of this Prospectus:

S. No.	Shareholder	No. of Equity Shares of face value of ₹ 10 each held*	Percentage of Equity Share Capital held (%)
1.	Mr. Edward Menezes	1,952,620	3.85
2.	Mr. Sunil Chari	1,952,620	3.85
3.	RBIPL	274,200	0.54
4.	Ms. Jyotishna Chari	95,280	0.19
5.	Ms. Anita Menezes	95,280	0.19
	Total	**4,370,000**	**8.61**

** The face value of the Equity Shares, one year and two years prior to the date of this Prospectus was ₹ 10 each.*

7. **Employee Stock Option Scheme**

Our Company has formulated an employee stock option scheme, namely, Rossari Biotech Limited Employee Stock Option Plan, 2019, namely, (the "**ESOP Scheme**"). The ESOP Scheme has been framed and implemented in compliance with the SEBI SBEB Regulations.

ESOP Scheme

Under the ESOP Scheme, 705,000 options have been granted as on the date of this Prospectus, and none of these options have vested.

The following table sets forth the particulars of the ESOP Scheme, including options granted during the last three Financial Years, and as on the date of this Prospectus.

Particulars	Details			
	Fiscal 2018	Fiscal 2019	Fiscal 2020	From April 1, 2020 until July 4, 2020
Total options outstanding as at the beginning of the period	NA	NA	Nil	705,000
Total options granted	NA	NA	705,000	Nil
Exercise price of options in ₹ (as on the date of grant options)	NA	NA	475	475
Options forfeited/lapsed/cancelled	Nil	Nil	Nil	15,000
Variation of terms of options	NA	NA	Nil	Nil
Money realized by exercise of options	NA			
Total number of options outstanding in force	NA	NA	705,000	690,000
Total options vested (excluding the options that have been exercised)	NA	NA	Nil	Nil
Options exercised (since implementation of the ESOP scheme)	Nil			
The total number of Equity Shares arising as a result of exercise of granted options (including options that have been exercised)	NA	NA	705,000	690,000
Employee wise details of options granted to:				
(i) Key managerial personnel				
Mr. Puneet Arora	Nil	Nil	40,000	Nil
Mr. Prasad Gadkari	Nil	Nil	40,000	Nil
Mr. Anish Kumar	Nil	Nil	20,000	Nil
Mr. Rajeev Jha	Nil	Nil	20,000	Nil
Ms. Manasi Nisal	Nil	Nil	15,000	Nil
Ms. Manjiri Paranjpe	Nil	Nil	40,000	Nil
Mr. Kuldeep Pandita	Nil	Nil	15,000	Nil
Ms. Parul Gupta	Nil	Nil	2,500	Nil
(ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year	NA	NA	NA	Nil
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	NA	NA	NA	Nil
Diluted earnings per share pursuant to the issue of Equity Shares on exercise of options in accordance with IND AS 33 'Earnings Per Share'	Fiscal 2018: 5.17 Fiscal 2019: 9.30 Fiscal 2020: 13.23			
Where the Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation	No			

Particulars	Details			
	Fiscal 2018	Fiscal 2019	Fiscal 2020	From April 1, 2020 until July 4, 2020
cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of the Company and on the earnings per share of the Company				
Method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in the market at the time of grant of option	(i) Weighted average information: 6.57% (ii) Risk free interest rate: June 2021: 6.00% June 2022: 6.40% June 2023: 6.70% June 2024: 6.90% (iii) Expected Volatility: 20.00% (iv) Expected Dividend: 1.00% (v) Price of the underlying share in the market at the time of grant of option: ₹ 425.00			
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 had been followed, in respect of options granted in the last three years	Nil			
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	Nil			
Intention to sell Equity Shares arising out of the ESOP scheme or allotted under an ESOP scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Nil			

8. Further, except as disclosed in *"- **Build-up of our Promoters' shareholding in our Company**"* on page 75, none of our Promoters, members of the Promoter Group, Directors or their relatives have sold or purchased any Equity Shares of our Company during the six months preceding the date of this Prospectus.

9. There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Prospectus.

10. Our Company, our Directors and the BRLMs have not entered into any buy-back or other arrangements for purchase of Equity Shares being offered through this Offer from any person.

11. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.

12. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Prospectus. The Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment.

13. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Prospectus.

14. Except for (i) the Pre-IPO Placement; and (ii) any issue of Equity Shares pursuant to exercise of options granted under the ESOP Scheme, there neither have been and there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.

15. Except for the issue of any Equity Shares pursuant to exercise of options granted under the ESOP Scheme, our Company presently does not intend or propose to alter the capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or by issue of bonus or rights or further public issue of Equity Shares.

16. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

17. The BRLMs and any person related to the BRLMs or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associate of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs or a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associate of the BRLMs.

18. Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.

OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue of 1,176,470** Equity Shares, aggregating to ₹ 500.00 million by our Company and an Offer for Sale of 10,500,000** Equity Shares, aggregating to ₹ 4,462.50** million by the Selling Shareholders.

***Subject to finalisation of Basis of Allotment*

The Offer for Sale

The object of the Offer for Sale is to allow the Selling Shareholders to sell an aggregate of 10,500,000 Equity Shares (subject to finalisation of Basis of Allotment) held by them. Our Company will not receive any proceeds from the Offer for Sale.

Fresh Issue

The net proceeds of the Fresh Issue, i.e. gross proceeds of the Fresh Issue less the Offer expenses apportioned to our Company ("**Net Proceeds**") and the proceeds from the Pre-IPO Placement are proposed to be utilised in the following manner:

1. Repayment/prepayment of certain indebtedness availed by our Company (including accrued interest);

2. Funding working capital requirements; and

3. General corporate purposes.

In addition, we expect to achieve the benefit of listing of our Equity Shares on the Stock Exchanges.

The main objects and the objects incidental and ancillary to the main objects of our Memorandum of Association enables our Company to undertake the activities for which the funds are being raised in the Fresh Issue.

Net Proceeds

The details of the proceeds of the Fresh Issue are summarized in the table below.

S. No	Particulars	Amount (₹ in million)
(a)	Gross proceeds of the Fresh Issue^	500.00
(b)	Less: Offer expenses (only those apportioned to our Company)*	25.08**
(c)	Net Proceeds	474.92

*^ Our Company has, in consultation with the BRLMs, undertaken a Pre-IPO Placement of Equity Shares aggregating to ₹ 999.99 million. The size of the Fresh Issue of ₹ 1,500.00 million, as disclosed in the Draft Red Herring Prospectus, has been reduced by ₹ 999.99 million pursuant to the Pre-IPO Placement and accordingly, after adjustment for Pre-IPO Placement, the size of the Fresh Issue was ₹ 500.00 million. For further details on the Pre-IPO Placement, see "**Capital Structure**" on page 71. Further, the gross proceeds of the Pre-IPO Placement and the Fresh Issue is ₹ 1,499.99 million and the Offer expenses apportioned to our Company (including the expenses for the Pre-IPO Placement) is ₹ 62.63 million and accordingly, the total Net Proceeds (including the Pre-IPO Placement) is ₹ 1,437.36 million.*

See "- Offer Related Expenses**" below.*

***The estimated expenses in relation to the Pre-IPO Placement has not been considered while calculating this amount.*

Proposed schedule of Implementation and Utilization of Net Proceeds and the proceeds from the Pre-IPO Placement

We propose to deploy the Net Proceeds and the proceeds from the Pre-IPO Placement for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

(₹ in million)

S. No	Particulars	Total estimated amount / expenditure	Amount to be deployed from the Net Proceeds and proceeds from the Pre-IPO Placement in Fiscal 2021
1.	Repayment/prepayment of certain indebtedness availed by our Company (including accrued interest)	650.00	650.00

S. No	Particulars	Total estimated amount / expenditure	Amount to be deployed from the Net Proceeds and proceeds from the Pre-IPO Placement in Fiscal 2021
2.	Funding working capital requirements	500.00	500.00
3.	General corporate purposes*	287.36	287.36
	Total Net Proceeds (including proceeds from the Pre-IPO Placement)	**1,437.36****	**1,437.36****

* *The amount utilised for general corporate purposes shall not exceed 25.00% of the gross proceeds of the Fresh Issue and the proceeds from the Pre-IPO Placement.*

***This amount has been derived by subtracting the Offer expenses (including the expenses for the Pre-IPO Placement) from the total of gross proceeds of the Fresh Issue and the proceeds from the Pre-IPO Placement. For details, See "**- Offer Related Expenses**" below.*

If the Net Proceeds and the proceeds from the Pre-IPO Placement are not utilized (in full or in part) for the objects of the Offer during the period stated above due to factors such as (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other business and commercial considerations, the remaining Net Proceeds and the proceeds from the Pre-IPO Placement shall be utilized in subsequent periods as may be determined by our Company, in accordance with applicable laws.

Details of the Objects

1. *Repayment/prepayment of certain indebtedness availed by our Company (including accrued interest)*

Our Company has entered into various borrowing arrangements with banks and financial institutions including borrowings in the form of term loans, and fund based and non-fund based working capital facilities. For details of these financing arrangements including indicative terms and conditions, see "***Financial Indebtedness***" on page 266. As on June 25, 2020, we had outstanding fund based borrowings (including current and non-current borrowings) of ₹ 679.64 million on a consolidated basis.

Our Company intends to utilize ₹ 650.00 million of the Net Proceeds and the proceeds from the Pre-IPO Placement towards repayment or prepayment of all or a portion of the principal amount on certain loans availed by our Company and the accrued interest thereon in the case of certain loans availed by our Company. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Such prepayment charges, as applicable, will also be funded out of the Net Proceeds and the proceeds from the Pre-IPO Placement. Given the nature of the borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings prior to Allotment. Accordingly, our Company may utilise the Net Proceeds and the proceeds from the Pre-IPO Placement for repayment/prepayment of any such refinanced facilities (including any prepayment fees or penalties thereon) or any additional facilities obtained by our Company. However, the aggregate amount to be utilised from the Net Proceeds and the proceeds from the Pre-IPO Placement towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, will not exceed ₹ 650.00 million. We believe that such repayment or prepayment will help reduce our outstanding indebtedness (on a consolidated basis)and debt servicing costs and enable utilization of the internal accruals for further investment towards business growth and expansion. In addition, we believe that this would improve our ability to raise further resources in the future to fund potential business development opportunities.

The selection of borrowings proposed to be prepaid or repaid amongst our borrowing arrangements availed will be based on various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to prepay/ repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment from the respective lenders, (iv) terms and conditions of such consents and waivers, (v) levy of any prepayment penalties and the quantum thereof, (vi) provisions of any laws, rules and regulations governing such borrowings, and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

The details of the outstanding loans proposed for repayment or prepayment, in full or in part from the Net Proceeds and the proceeds from the Pre-IPO Placement are set forth below:

S. No	Name of the borrower	Name of the lender	Nature of loan	Amount sanctioned (₹ in million)	Amount outstanding as on June 25, 2020 (₹ in million) ^*	Interest rate as on June 25, 2020	Repayment schedule	Prepayment Conditions	Purpose for which the loan was availed
1.	Our Company	Axis Bank Limited	Term loan	300.00	184.83	8.40	In equal quarterly instalments of ₹ 15 million each after 12 months from the date of first disbursement.	To provide prior written notice of not less than 30 business days before any prepayment.	To be utilised for setting up manufacturing facility at Dahej.
2.	Our Company	HDFC Bank Limited	Term loan	350.00	217.40	8.70	To be repaid in equal monthly instalments within 72 months, inclusive of one year moratorium period.	By giving a 30 days prior written notice of the intention to prepay and paying to the bank in full the outstanding principal amount of the loan, all outstanding EMIs, interest charges and other sum payable by the borrower to the bank. Further, pre-payment fees of 4% of the principal amount of the loan being repaid or at such rates as decided by the bank from time to time during tenure of loan would be applicable.	Capex
3.	Our Company	HDFC Bank Limited	Working Capital Demand Loan (WCDL)	300.00	250.00	7.35	To be paid on demand and are subject to annual renewal. Renewal documents are to be submitted 60 days prior to the valid annual renewal date i.e. May 15, 2020. Bank reserves the right to charge additional 2% interest rate on the outstanding amount in case the documents are not submitted within the due date.	N.A.	Capex and Working Capital

^ *Before Effective Interest Rate (EIR) Accounting.*

* *The amount outstanding as of June 25, 2020 has been certified by our Statutory Auditors by way of their certificate dated July 4, 2020. Further, our Statutory Auditors have confirmed that the above borrowings have been utilized for the purposes for which such borrowings were availed.*

2. *Funding working capital requirements*

We have significant working capital requirements and we fund our working capital requirements in the ordinary course of business from our internal accrual, financing from various banks and financial institutions.

As on June 25, 2020 our Company's working capital facilities consisted of an aggregate fund based limit of ₹ 679.64 million and an aggregate non-fund based limit of ₹ 43.18 million, on a standalone basis.

Our Company requires additional working capital for executing its future orders that may be received, for funding future growth requirements of our Company and for other strategic, business and corporate purposes.

For further details on our working capital loan, see "***Financial Indebtedness – Principal terms of the borrowings availed by our Company on a consolidated basis***" on page 266.

Basis of estimation of working capital requirement and estimated working capital requirement

Set forth below are the current assets and working capital requirement of our Company as on March 31, 2018, 2019, 2020, as per the Restated Financial Statements.

S. No.	Particulars	March 31, 2018 (₹ in million)	Holding levels (in days)	March 31, 2019 (₹ in million)	Holding levels (in days)	March 31, 2020 (₹ in million)	Holding levels (in days)
I.	**Current Assets**						
1.	Inventories						
(a)	Raw material	259.95	32	266.06	19	303.52	18
(b)	Work-in-progress	6.58	1	11.37	1	4.81	0.3
(c)	Finished goods	52.29	6	213.46	15	195.64	12
(d)	Packing material, stores spares and Consumables	27.32	3	58.10	4	77.74	5
2.	Trade receivables						
(a)	Sundry debtors	615.59	75	859.19	61	941.36	57
(b)	Other trade Receivables	-	-	-	-	-	-
3.	Cash and bank Balances	9.65	1	60.09	4	292.11*	18
4.	Short term loans and advances	-	-	-	-	-	-
5.	Other current Assets	127.99	16	129.31	9	467.84	28
	Total current assets (A)	**1,099.37**		**1,597.58**		**2,283.02**	
II.	**Current Liabilities**						
1.	Trade payables	439.57	54	1,059.82	75	970.04	59
2.	Other current Liabilities	100.32	12	119.43	8	239.87	15
3.	Short term Provisions	4.64	1	6.02	0.4	6.66	0.4
	Total current liabilities (B)	**544.53**		**1,185.27**		**1,216.57**	
III.	**Total working capital requirements (A-B)**	**554.84**		**412.31**		**1,066.45**	
IV.	**Funding Pattern**						
1.	Working capital facilities	188.33		32.70		270.52	
2.	Long term/ deferred tax liabilities/ corporate loans	-		-		-	
3.	Internal accruals	366.51		379.61		795.93	
	Total working capital requirement	**554.84**		**412.31**		**1,066.45**	

**This does not include ₹980.22 million which is not available for working capital.*

Set forth below are the estimated current assets and working capital requirements as on March 31, 2021.

S. No.	Particulars	March 31, 2021 (₹ in million)	Holding days (in days)
I.	**Current Assets**		
1.	Inventories		
(e)	Raw material	493.05	25
(f)	Work-in-progress	18.49	1
(g)	Finished goods	246.53	13
(h)	Stores spares and consumables	96.08	5
2.	Trade receivables		
(c)	Sundry debtors	1360.46	69
(d)	Other trade Receivables	-	-
3.	Cash and bank Balances	408.99	21
4.	Short term loans and advances	-	-
5.	Other current Assets	256.17	13
	Total current assets (A)	**2879.77**	
II.	**Current Liabilities**		
1.	Trade payables	1146.35	58
2.	Other current Liabilities	122.57	6
3.	Short term Provisions*	7.33	0.4
	Total current liabilities (B)	**1276.25**	
III.	**Total working capital requirements (A-B)**	**1603.52**	
IV.	**Funding Pattern**		
1.	Working capital facilities	-	-
2.	Long term/ deferred tax liabilities/ corporate loans	-	-
3.	IPO proceeds	500.00	-
4.	Internal accruals	1103.52	-
	Total working capital requirement	**1603.52**	

** Excluding short term borrowings from banks.*

Assumptions for working capital requirements

Holding levels and justifications for holding period levels on the basis of Restated Financial Statements.

Sr. No	Particulars	No. of days		
		March 31, 2018	**March 31, 2019**	**March 31, 2020**
1	Inventories			
	Raw material	32	19	18
	Work-in-progress	1	1	0.3
	Finished goods	6	15	12
	Stores spares and consumables	3	4	5
		42	**39**	**35**
2	Trade receivables	75	61	57

3	Trade payables	54	75	59
4	**Working capital cycle**	**64**	**25**	**34**

Justifications for holding period levels

Sr. No	Particulars	No. of days
1.	Inventories	*Raw materials:* Our company caters to both domestic as well as international customers. We have maintained raw material inventory between 18-32 days. Going forward, with the commissioning of Dahej plant in Fiscal 2021 and to ensure uninterrupted manufacturing and production, we have assumed 25 days of raw material inventory for March 31, 2021. This will ensure that there is no supply chain disruption impacting the production. *Work-in-progress:* Our production processes emphasize on ensuring shorter lead times and cost competitiveness, which helps us maintain work-in-progress holding period of 1-2 days, which going forward shall be maintained at similar levels ensuring efficient customer production processes. *Finished goods:* In order to achieve cost competitiveness and shorter lead times through constant innovation, we need to maintain efficient finished goods inventory levels. From March 31, 2018 to March 31, 2020 our finished goods days ranged between 6-15 days, which we assume to continue on similar levels of 13 days for March 31, 2021. *Stores, spares and consumables:* Based on the past trends we have assumed a requirement of 5 days in Fiscal 2021.
2.	Trade receivables	Our Company had 55-75 days of receivables as we enjoy good long-standing customer relationships. However, in the current pandemic situation the collection cycle has been elongated and hence we have assumed receivables of 69 days for Fiscal 2021.
3.	Trade payables	Our trade payables have been in the range of 54-75, which going forward have been assumed at similar levels of 58 days.

Our Company proposes to utilize ₹ 500.00 million of the Net Proceeds and the proceeds from the Pre-IPO Placement in Fiscal 2021, towards working capital requirements for meeting our business requirements.

The IPO Committee pursuant to its resolution dated July 1, 2020 has approved the working capital requirements of our Company. JMT & Associates by its certificate dated July 4, 2020, certified the working capital requirements of our Company. See "***Material Contracts and Documents for Inspection – Material Documents***" on page 358.

3. *General corporate purposes*

The Net Proceeds and the proceeds from the Pre-IPO Placement will first be utilized for the objects as set out above. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds and the proceeds from the Pre-IPO Placement towards our general corporate purposes, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Fresh Issue and the proceeds from the Pre-IPO Placement, in compliance with the SEBI ICDR Regulations.

Such general corporate purposes may include, but are not restricted to, the following:

(i) funding growth opportunities, including acquisitions;
(ii) servicing our repayment obligations (principal and interest) under our future financing arrangements;
(iii) capital expenditure, including towards development/refurbishment/renovation of our assets;

(iv) meeting ongoing general corporate purposes or contingencies; and/or
(v) strategic initiatives.

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

Means of Finance

The fund requirements set out above are proposed to be funded from the Net Proceeds and the proceeds from the Pre-IPO Placement. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from Fresh Issue and the proceeds from the Pre-IPO Placement.

Offer Related Expenses

The total expenses of the Offer are estimated to be approximately ₹ 248.96 million. The expenses of this Offer include, among others, listing fees, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Escrow Collection Bank(s) and Sponsor Bank to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. Our Company and the Selling Shareholders will share the costs and expenses (including all applicable taxes, except STT payable on sale of Offered Shares) directly attributable to the Offer (excluding listing fees, audit fees of the Statutory Auditors and expenses for any corporate advertisements, i.e. any corporate advertisements consistent with past practices of the Company (other than the expenses relating to marketing and advertisements undertaken in connection with the Offer) that will be borne by the Company), on a *pro rata* basis, based on the proportion of the proceeds received for the Fresh Issue and the respective Offered Shares. Any expenses in relation to the Offer shall initially be paid by the Company, and to the extent of any expense paid by our Company on behalf of the Selling Shareholders, such expense shall be reimbursed to the Company by the Selling Shareholders on completion of the Offer, directly from the Public Offer Account, subject to applicable law.

The estimated Offer expenses are as follows:

(*₹ in million*)

Activity	Estimated expenses*	As a % of the total estimated Offer expenses	As a % of the total Offer size**
Fees payable to the BRLMs	119.25	47.90	2.00
Advertising and marketing expenses	15.00	6.02	0.25
Fees payable to the Registrar to the Offer	0.20	0.08	0.00
Brokerage and selling commission payable to SCSBs, Registered Brokers, RTAs and CDPs, as applicable(1)	7.57	3.04	0.13
Processing fees to the SCSBs and to the Sponsor Bank for ASBA Forms procured by Registered Brokers, RTAs or CDPs (2)	8.00	3.21	0.13
Printing and distribution of issue stationery	15.00	6.02	0.25
Fees to regulators, including stock exchanges	17.07	6.85	0.29
Others (i) Listing fees; (ii) Fees payable to legal counsels; and (iii) Miscellaneous.	66.87	26.86	1.12
Total estimated Offer expenses (including expenses from the Pre-IPO Placement)	**248.96**	**100.00**	**4.18**

** Exclusive of applicable taxes. Offer expenses are estimates and are subject to change.*
***For the calculation of percentage of total Offer size, proceeds from the Pre-IPO Placement have also been taken into consideration.*

(1) Selling commission payable to members of the Syndicate, SCSBs, RTAs and CDPs on the amounts received against the Equity Shares Allotted (i.e. product of the Equity Shares Allotted and the Offer Price) would be as follows:

Portion for Retail Individual Investors	*0.35% (plus applicable goods and services tax)*
Portion for Non-Institutional Investors	*0.20% (plus applicable goods and services tax)*

Further, bidding charges of ₹ 10 (plus applicable goods and services tax) shall be per valid ASBA Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Investors using the UPI Mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured by them. Selling commission payable to the Registered Brokers on the portion for Retail Individual Investors and Non-Institutional Investors, which are directly procured by the Registered Brokers and submitted to SCSB for processing, shall be ₹ 10 per valid Bid cum Application Form (plus applicable goods and services tax).

(2) Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the members of the Syndicate / Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹ 10 per valid Bid cum Application Form (plus applicable taxes).

Processing fees for applications made by Retail Individual Investors using the UPI Mechanism would be as follows:

Members of the Syndicate / RTAs / CDPs/ Registered Brokers	*₹ 30 per valid Bid cum Application Form (plus applicable taxes)*
Sponsor Bank	*₹ 8 per valid Bid cum Application Form (plus applicable taxes)* *The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws.*

** Based on valid Bid cum Application Forms*

Interim Use of Funds

Pending utilization for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds and the proceeds from the Pre-IPO Placement only with scheduled commercial banks. In accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the Net Proceeds and the proceeds from the Pre-IPO Placement for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Loan

Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.

Monitoring of Utilization of Funds

Axis Bank Limited has been appointed as the Monitoring Agency for monitoring the utilisation of Net Proceeds and the proceeds from the Pre-IPO Placement, as our Offer size (excluding the Offer for Sale by the Selling Shareholders) exceeds ₹ 1,000 million, in accordance with Regulation 41 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Net Proceeds and the proceed from the Pre-IPO Placement. Our Company will disclose the utilisation of the Net Proceeds and the proceeds from the Pre-IPO Placement, including interim use under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds and the proceeds from the Pre-IPO Placement have been utilised. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds and proceeds from the Pre-IPO Placement that have not been utilised, if any, of such currently unutilised Net Proceeds and proceeds from the Pre-IPO Placement.

Pursuant to Regulation 18(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds and the proceeds from the Pre-IPO Placement. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Prospectus and place it before our Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds and the proceeds from the Pre-IPO Placement have been utilised in full. The statement shall be certified by the Statutory Auditors. Further, in accordance with the Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the Net Proceeds and proceeds from the Pre-IPO Placement from the objects of the Offer as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds and the proceeds from the Pre-IPO Placement from the objects of the Offer as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results of our Company, after placing such information before our Audit Committee.

Variation in objects of the Offer

In accordance with Sections 13(8) and 27 of the Companies Act 2013, our Company shall not vary the objects of the Offer unless our Company is authorized to do so by way of a special resolution of its Shareholders and such variation will be in accordance with the applicable laws including the Companies Act 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act 2013.

Appraising Entity

None of the objects of the Fresh Issue for which the Net Proceeds will be utilized have been appraised by any bank/financial institution.

Other Confirmations

No part of the Net Proceeds and the proceeds from the Pre-IPO Placement will be paid to our Promoters, Directors, our Group Companies or our Key Managerial Personnel, except in the ordinary course of business. Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors, our Key Management Personnel or our Group Companies in relation to the utilization of the Net Proceeds and the proceeds from the Pre-IPO Placement of the Offer.

BASIS FOR OFFER PRICE

The Price Band has been determined by our Company and the Selling Shareholders, in consultation with the BRLMs, and the Offer Price has been determined by our Company, in consultation with the BRLMs, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 2 each and the Offer Price is 211.50 times the face value at the lower end of the Price Band and 212.50 times the face value at the higher end of the Price Band. Investors should refer to "***Risk Factors***", "***Our Business***", "***Financial Statements***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 24, 145, 201 and 268, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

- diversified product portfolio addressing the needs of varied and long-standing customers across industries;
- largest textile specialty chemical manufacturer in India;
- extensive manufacturing and technical capabilities;
- strong R&D capabilities with focus on innovation and sustainability;
- wide sales and distribution network;
- experienced Promoters with strong management team having domain knowledge; and
- Proven track record of robust financial performance.

For further details, see ***"Risk Factors"*** and ***"Our Business"*** on pages 24 and 145, respectively.

Quantitative Factors

Some of information presented below relating to our Company is based on the on the Restated Financial Statements. For details, see ***"Financial Statements"*** on page 201.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

1. Basic and Diluted Earnings per Share ("EPS") at face value of ₹ 2 each:

As per Restated Financial Statements:

Year/Period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2020	13.42	13.23	3
March 31, 2019	9.44	9.44	2
March 31, 2018	5.25	5.25	1
Weighted Average	**10.73**	**10.64**	

Notes:

Basic EPS = $\dfrac{\textit{Net Profit after tax, as restated, attributable to equity shareholders}}{\textit{Weighted average no. of equity shares outstanding during the year}}$

Diluted EPS = $\dfrac{\textit{Net Profit after tax, as restated, attributable to equity shareholders}}{\textit{Weighted average no. of diluted equity shares outstanding during the year.}}$

2. Price/Earning ("P/E") ratio in relation to price band of ₹ 423 to ₹ 425 per Equity Share:

Particulars	P/E at the Floor Price (no. of times)	P/E at the Cap Price (no. of times)
Based on basic EPS for Fiscal 2020 on Restated Financial Statements	31.52	31.67
Based on diluted EPS for Fiscal 2020 on Restated Financial Statements	31.97	32.12

Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company) given below in this section, the highest P/E ratio is 35.24, the lowest P/E ratio is 19.94 and the average P/E ratio is 27.72.

	Name of the company	P/E Ratio	Face value of equity shares (₹)
Highest	Fine Organics Industries Limited	35.24	5
Lowest	Atul Limited	19.94	10
Industry Composite		27.72	

Note:

(1) *The highest and lowest industry P/E shown above is based on the peer set provided below under "Comparison with listed industry peers". The industry average has been calculated as the arithmetic average P/E of the peer set provided below. For further details, see "- **Comparison with listed industry peers**" hereunder.*

(2) *P/E figures for the peer are computed based on closing market price as on June 26, 2020 on BSE, divided by Basic EPS (on consolidated basis) based on the financial results declared by the peers available on website of www.bseindia.com for the Financial Year ending March 31, 2020.*

3. Return on Net Worth ("RoNW")

Period/Year ended	RONW (%)	Weight
March 31, 2020	31.79	3
March 31, 2019	43.32	2
March 31, 2018	34.08	1
Weighted Average	**36.02**	

Notes:

Return on Net Worth (%) = $\dfrac{\text{Net Profit after tax, as restated, attributable to equity shareholders}}{\text{Average Net worth of opening \& closing}}$

4. Net Asset Value per Equity Share (Face Value of ₹ 2 each)

NAV	Consolidated (₹)
As on March 31, 2020	56.48
After the Offer	
- At the Floor Price	64.83
- At the Cap Price	64.83
At Offer Price	64.83

Notes:

Net Asset Value per share = $\dfrac{\text{Net Worth at the end of the year}}{\text{Total number of equity shares outstanding at the end of year}}$

5. Comparison with listed industry peers

Following is the comparison with our peer group companies listed in India:

Name of the Company	Total Revenue (₹ in million)	Face Value (₹)	P/E	EPS (Basic) (₹)	Return on Net Worth (%)	NAV per share (₹)
Rossari Biotech Limited	6,001	2	31.67	13.42	31.79%	56.48
Listed Peers						
Aarti Industries Limited	41,863	5	30.93	30.77	18.89%	176.39
Vinati Organics Limited	10,288	1	30.45	32.48	28.65%	124.48
Atul Limited	40,930	10	19.94	224.69	22.70%	1,072.58
Galaxy Surfactants Limited	25,963	10	22.02	64.99	23.70%	301.20
Fine Organics Industries Limited	10,380	5	35.24	53.75	29.45%	201.86

Source: All the financial information for listed industry peer mentioned above is on a consolidated basis (except Vinati Organics Limited which is on standalone) and is sourced from the filings made with stock exchanges available on www.bseindia.com for the Financial Year ending March 31, 2020.
Source for Rossari Biotech Limited: Based on the Restated Financial Information for the year ended March 31, 2020. P/E Ratio has been computed at the Offer Price.

Notes:
(1) P/E Ratio has been computed based on the closing market price of equity shares on BSE on June 26, 2020, divided by the Basic EPS.
(2) RoNW is computed as net profit after tax (including profit attributable to non-controlling interest) divided by average net worth.
(3) Net worth has been computed as sum of paid-up share capital and other equity.
(4) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.

6. The Offer Price is 212.50 times of the Face Value of the Equity Shares.

The Offer Price of ₹ 425 has been determined by our Company in consultation with the BRLMs, on the basis of demand from investors for the Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with "***Risk Factors***", "***Our Business***" and "***Financial Statements***" on pages 24, 145 and 201, respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "***Risk Factors***" on page 24 and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

To

The Board of Directors
Rossari Biotech Limited
201-A&B, Ackruti Corporate Park,
LBS Marg, Next to GE Gardens,
Kanjurmarg West,
Mumbai - 400078

Dear Sirs,

Subject: Statement of Possible Special Tax Benefits (the 'Statement') available to Rossari Biotech Limited (the 'Company') and its shareholders under the Indian direct and indirect tax laws

We refer to the proposed offer of equity shares of Rossari Biotech Limited (the Company). We enclose a statement showing the current position of special tax benefits available to the Company and its shareholders as per the provisions of the direct and indirect tax laws, including the Income-tax Act 1961, Goods and Service Tax Act, 2017, Custom Act, 1962 and Foreign Trade Policy 2015-2020 relevant to the financial year 2019-20 for inclusion in the Red Herring Prospectus (RHP) and Prospectus (collectively, the "Offer Documents") for the proposed offer of equity shares of the company, as required under the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amendment (the "Regulations").

We hereby give our consent to include the enclosed statement regarding the tax benefits available to the company and its shareholders in the Offer Documents for the proposed public offer of equity shares which the company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the Offer Documents:

LIMITATIONS

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above and in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue or to any third party relying on the statement.

This statement has been prepared solely in connection with the issue of Equity shares by the Company under the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kedar Raje
(Partner)
(Membership No.: 102637)
UDIN: 20102637AAAACD7219

Place: Mumbai
Date: July 01, 2020

STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and to the shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of shares under the current tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act 1961 ["the Act"]. Hence, the ability of the Company or its shareholders to derive these tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Our views expressed in this statement are based on the facts and assumptions as indicated above and in the statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue or to any third party relying on this statement.

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

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

This statement has been prepared solely in connection with the issue of Equity shares by the Company under the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF SHARES IN THEIR PARTICULAR SITUATION.
DIRECT TAXATION

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND TO CERTAIN OF ITS SHAREHOLDERS

I. Special tax benefits available to the Company

Section 115BAA of the Act, 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 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 of the Act, provisions of Minimum Alternate Tax ["MAT"] under section 115JB of the Act would not be applicable and MAT credit of the earlier year(s) 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 they will opt to apply section 115BAA of the Act for the assessment year 2020-2021.

II. Special tax benefits available to certain shareholders

1. Special tax benefits to Foreign Portfolio Investors (FPIs)

- Section 2(14) of the Act provides that any securities held by a FPI who has invested in such securities in accordance with the regulations made under Securities and Exchange Board of India Act, 1992 would be treated as a capital asset. Income arising from transfer of such security by a FPI would be treated to be in the nature of capital gains.

- Under Section 115AD (1) (ii) of the Act, income by way of Short-term Capital Gains arising to the FPI on transfer of shares shall be chargeable at a rate of 30% where such transactions are not subjected to Securities Transaction Tax ('STT'), and at the rate of 15% if such transaction of sale is entered on a recognised stock exchange in India and is chargeable to STT. The above rates are to be increased by applicable surcharge and cess.

- Under Section 115AD (1) (iii) of the Act, income by way of Long-term Capital Gains ('LTCG') arising from the transfer of shares held in the company will be taxable at the rate of 10% (plus applicable surcharge and cess). In case STT is paid at the time of acquisition and transfer, income tax at 10% (plus applicable surcharge and cess) shall be calculated on LTCG exceeding INR one lakh. The benefits of indexation of cost and of foreign currency fluctuations are not available to FPIs.

2. Special tax benefits to Non-Resident Indians

- As per section 115C(e) of the Act, the term "non-resident Indians" means an individual, being a citizen of India or a person of Indian origin who is not a "resident". A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.

- As per section 115E of the Act, in the case of a shareholder being a non-resident Indian, and subscribing to the shares of the company in convertible foreign exchange, in accordance with and subject to the prescribed conditions, LTCG on transfer of the shares of the company will be subject to tax at the rate of 10% (plus applicable surcharge and cess), without any indexation benefit.

- As per section 115F of the Act and subject to the conditions specified therein, in the case of a shareholder being a non-resident Indian, gains arising on transfer of a long term capital asset being shares of the company will not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset. If part of such net consideration is invested within the prescribed period of six months in any specified asset then this exemption would be allowable on a proportionate basis. Further, if the specified asset in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as LTCG in the year in which such specified asset are transferred.

- As per section 115I of the Act, a non-resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing a declaration along with his return of income for that assessment year under section 139 of the Act, that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.

3. Special tax benefits available to Alternative Investment Funds (Category I and II)

- Under section 10(23FBA) of the Act, any income of an investment fund other than the income chargeable under the head "Profits and gains of business or profession" is exempt from income tax.

  Investment fund means any fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate which has been granted a certificate of registration as a Category I or a Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992).

- As per Section 115UB (1) of the Act, any income accruing/arising/received by a person from his investment in an investment fund would be taxable in the hands of the person making an investment in the same manner as if it were the income accruing/arising/received by such person had the investments by the investment fund been made directly by him. As per Section 115UB (6) of the Act, the income accruing or arising to or received by the investment fund if not paid or credited to a person (who has investments in the investment fund) shall be deemed to have been credited to the account of the said person on the last day of the previous year in the same proportion in which such person would have been entitled to receive the income had it been paid in the previous year.

4. Special tax benefits available to Mutual Funds

As per section 10(23D) of the Act, any income of:

- mutual funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder; or

- such other mutual funds set up by public sector banks or public financial institutions or authorised by the Reserve Bank of India, subject to such conditions as the central government may, by notification in the Official Gazette, specify in this behalf will be exempt from income tax.

NOTES:

1. The above benefits are as per the Income-tax Act, 1961 as amended by the Finance Act, 2020 and The Taxation Laws (Amendment) Act, 2019. The shareholders / investors are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.

2. This statement does not discuss any tax consequences in any country outside India of an investment in the shares.

3. As per the Finance Act, 2020 surcharge is to be levied on individuals, Hindu undivided family, associations of persons, body of individuals or artificial juridical person at the rate of 10% if the total income exceeds INR fifty lakhs but does not exceed INR one crore, at the rate of 15% if the total income exceeds INR one crore but does not exceeds INR two crore, at the rate of 25% if the total income exceeds INR two crore but does not exceeds INR five crore and at the rate of 37% if the total income exceeds INR five crore.
   The enhanced surcharge, i.e., 25% or 37%, is not applicable on capital gains arising on sale of equity share in a company or a unit of an equity oriented fund or a unit of a business trust liable for securities transaction tax.
   However, in case of FPI, the enhanced surcharge i.e., 25% or 37%, is not applicable on any capital gains.

4. Surcharge is to be levied on firm, co-operative society and local authorities at the rate of 12% if the total income exceeds INR one crore.

5. Generally surcharge is to be levied on domestic companies at the rate of 7% where the income exceeds INR one crore but does not exceed INR ten crores and at the rate of 12% where the income exceeds INR ten crores.

6. Surcharge is to be levied at the rate of 10% on domestic companies which have opted for the lower tax rate of 22% as per section 115BAA of the Act.

7. Surcharge is to be levied on every company other than domestic company at the rate of 2% where the income exceeds INR one crore but does not exceed INR ten crores and at the rate of 5% where the income exceeds INR ten crores.

8. Health and Education Cess at 4% on the tax and surcharge is payable by all categories of taxpayers.

9. The above statement of possible special direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

10. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the DTAA, if any, between India and the country of residence of the non-resident. As per the provisions of section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.
    As per section 90(4) of the Act, the non-residents shall not be entitled to claim relief under section 90(2) of the Act, unless a certificate of their being a resident in any country outside India is obtained by them from the government of that country or any specified territory. As per section 90(5) of the Act, the non-residents shall be required to provide such other information, as has been notified.

INDIRECT TAXATION

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND TO ITS SHAREHOLDERS

Based on the various documents and the evidences produced before us, we would like to certify that the Company is not availing any special tax benefit such as concessional tax rate or exemption from tax which is contingent upon fulfilment of conditions nor any other similar special tax benefits.

Notes:

1. This certificate is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice.

2. The certificate covers only above-mentioned tax laws benefits which according to us are relevant for the Company and does not cover any other indirect tax law.

3. Our views expressed in this certificate are based on the facts and documents as presented by the Company. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes.

INDUSTRY OVERVIEW

*The information in this section is derived from the report entitled "Global and Indian Specialty Chemicals Report", dated December 10, 2019, (the "**F&S Report**") prepared by Frost & Sullivan (India) Private Limited ("**F&S**"), except for other publicly available information as cited in this section. We commissioned the F&S Report for the purposes of confirming our understanding of the global and Indian specialty chemicals industry in connection with the Offer. Neither we nor any other person connected with the Offer has verified the information in the F&S Report or other publicly available information cited in this section. Further, the F&S Report was prepared on the basis of information as of specific dates which may no longer be current or reflect current trends. Opinions in the F&S Report may be based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Prospective investors are advised not to unduly rely on the F&S Report.*

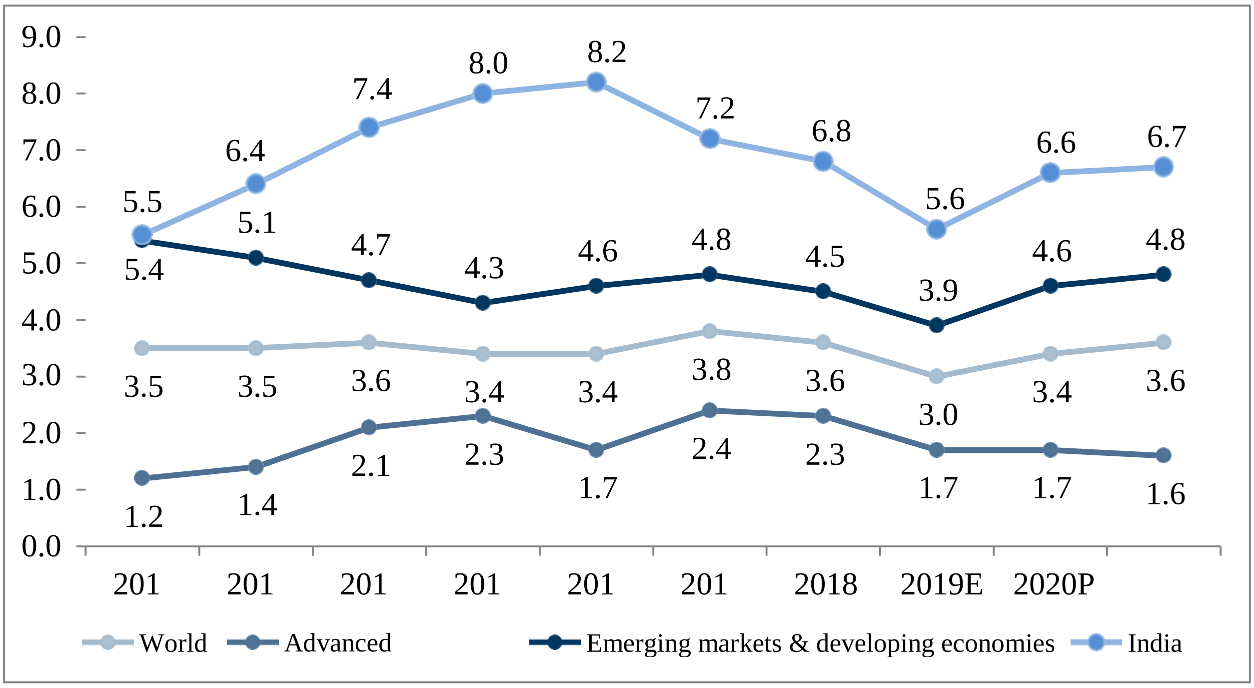
Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

While preparing the F&S Report, F&S has also sourced information from publicly available sources, including our Company's financial statements prepared in accordance with Indian GAAP. However, financial information relating to our Company presented in other sections of this Prospectus has been prepared in accordance with Ind AS and restated in accordance with the SEBI ICDR Regulations. Accordingly, the Indian GAAP financial information of our Company in this section is not comparable with Ind AS financial information presented in this Prospectus.

Global Macroeconomic Overview

The global economic growth has eased and is projected to plateau at 3.6% in near future, with some downside risks such as financial market stress, escalating trade protectionism and heightened geopolitical tensions. The growth in the advanced economies is expected to remain stable due to the effects of the US fiscal stimulus staying constant. However, the emerging market and developing economies are expected to showcase strong growth on account of surging trade flows driven by increased consumption.

Real GDP Growth (%) 2012- 2023P



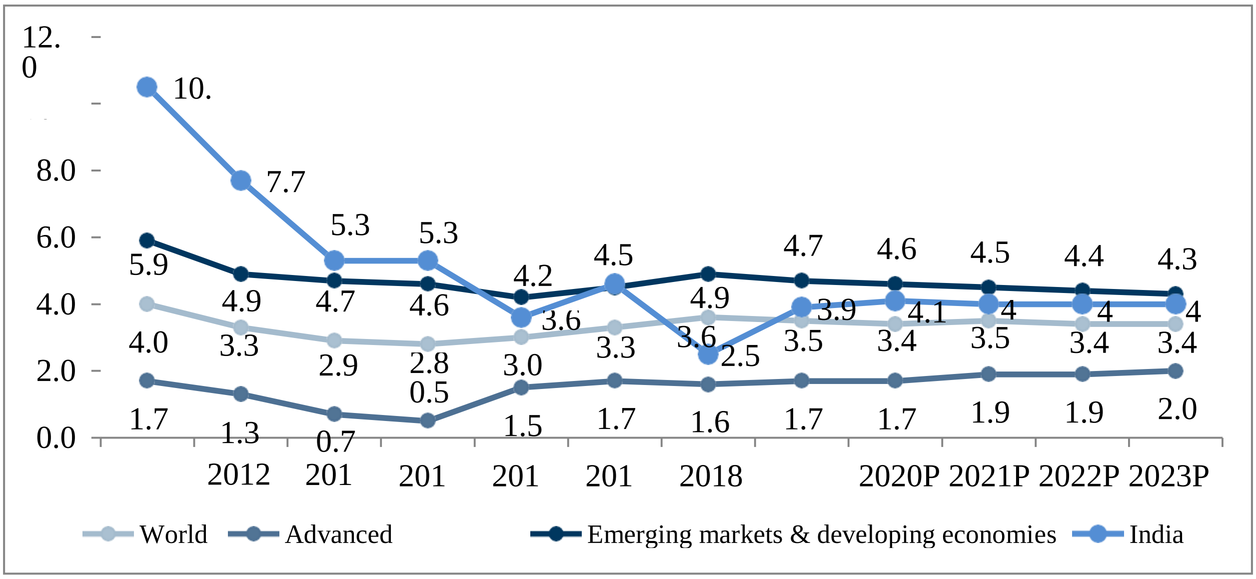
Source: World Economic Outlook, International Monetary Fund Estimate-October 2019, India – Moody's Outlook (Nov 2019)

Moreover, the longer-term potential of the global economic growth have down side risks from the extended period of weak investment and low productivity growth that has followed the global financial crisis.

Global inflation

Increasing fuel prices have lifted headline inflation over the past six months in advanced economies and India. In the emerging market and developing economy group, core inflation remained contained as the domestic demand has slowed on account of financial regulatory tightening.

Inflation Rate (end of period consumer prices) (%) 2012 - 2023P



Source: World Economic Outlook, International Monetary Fund Estimate-October 2019, Frost & Sullivan Analysis

India's Macroeconomic Overview

Gross Domestic Product (GDP) Growth and Outlook

The market-friendly policies that safeguarded the country from the subdued global economy have improved macroeconomic fundamentals. Robust capital inflow strengthened the economic growth from 5.5% in 2012 to 8.2% in 2016. However, in 2017 the GDP declined to 7.2% from 8.2% in 2016 due to the external vulnerabilities such as global slowdown, impact of demonetization and the transitory effect of goods and services tax (GST) implementation. Further, the economic growth continued to slip downwards in 2018 to 6.8%, as a result of the lingering effect of demonetization and liquidity crunch due to NBFC crisis.

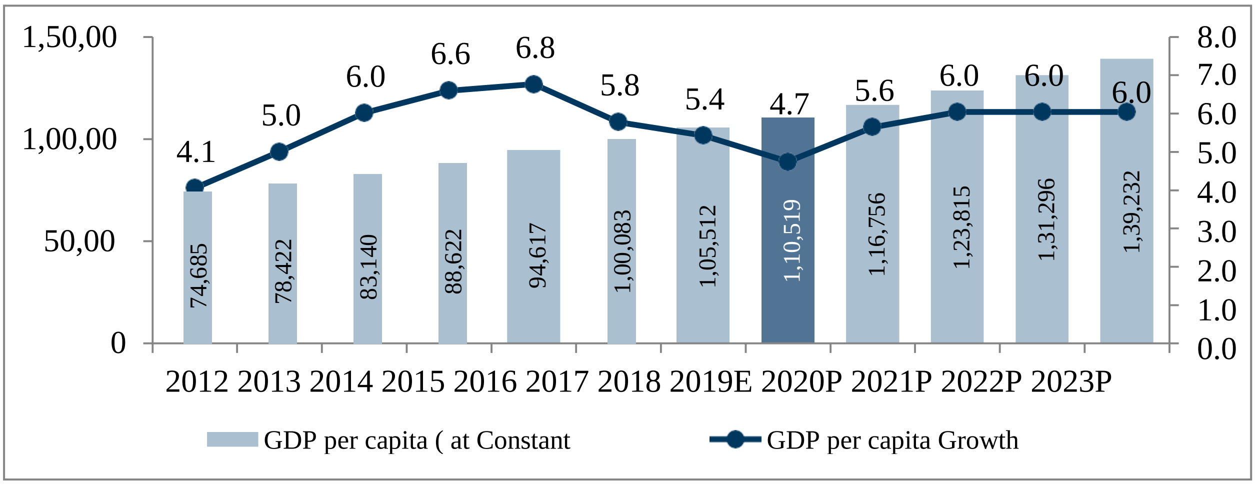
The medium term growth outlook is expected to improve and record a growth of 7.4% during 2023P, on account of strong macroeconomic fundamentals including moderate inflation, implementation of key structural reforms and improved fiscal and monetary policies.

GDP per capita

The GDP per capita at constant prices in India has remained low until 2012 during the economic downturn. Thereafter, growth has gradually picked up for GDP per capita to reach ` 94,617 in 2016 where the growth reached 6.8%. However, it slumped between 2017 and 2019 as a result of demonetization which resulted in cash shortages and implementation of GST.

Further to this, with the economy getting back on track as the business sentiments are improving, the GDP per capita is also expected to get back on track with an estimated CAGR of 6% during 2020P to 2023P.

GDP per Capita Value (INR) and Growth %, India, 2012 to 2023P



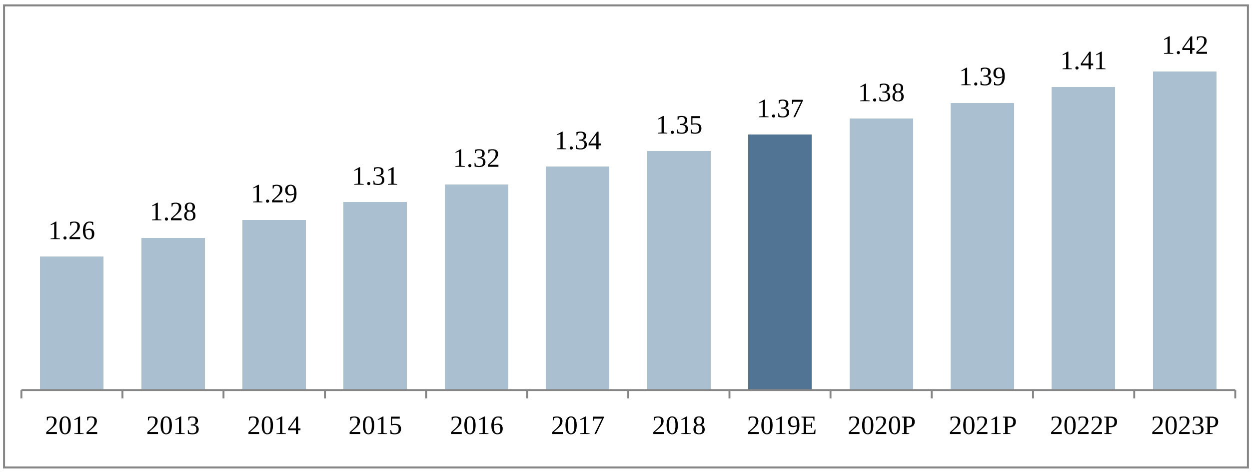
Source: World Economic Outlook, International Monetary Fund Estimates-October 2019, Frost & Sullivan Analysis

Demographic Overview of India

Population growth

With a population of 1.35 billion in 2018, India has the second largest population in the world. The population is estimated to grow at a CAGR of 1% during 2018-2023P replacing China and making it the most populous country in the world. The country has a relatively young demographic profile, with an average median age of 26.7 years; it is one of the lowest globally as compared to 37.2 years in the US, 45.8 years in Japan and 36.3 years in China. The median population age in India is estimated to be 28 years by 2020, making it the youngest country in the world.

India Population in Billion, Historical and Projected, 2012-2023P

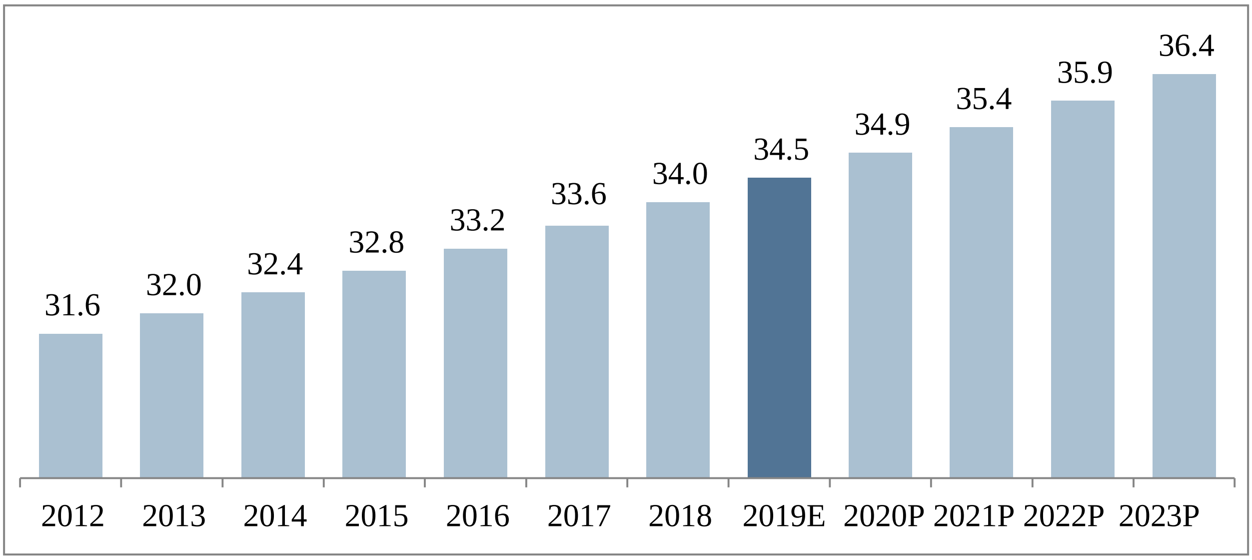


Source: World Bank: Health Nutrition and Population Statistics: Population estimates and projections

Urbanization

The growing urban population of India has led to increase in urbanization of the country. There has been drastic increase in urban towns and cities in the country over the past few years. There are almost 10 million people migrating to cities and towns every year. India's urban population increased from 27.8% in 2001 to 31.6% in 2012 and is estimated to further increase to 34.5% in 2019. It is expected to reach around 36% by 2023.

India Urban Population (%), 2012-2023P



Source: World Bank: Health Nutrition and Population Statistics: Population estimates and projections

The high economic growth, higher standard of living and increasing opportunities in the cities have led to urbanization, which has further added pressure on these cities in terms of infrastructure and housing, resulting in disordered urbanization and disparity in the market owing to the demands of the growing population. However, in order to cope with this scenario the government has been working on planned urbanization, providing affordable housing to the poor by developing innovative housing finances.

Indian Regulations impacting Domestic Manufacturing Industry

In September 2019, the Indian government announced a major reform of corporate tax rates. The relative competitiveness of India's corporation tax rates is expected to significantly improve as India's corporate tax rates had been relatively high compared to regional peers prior to the latest tax reform measures.

Further, IBC (Insolvency and Bankruptcy Code) was established in 2016 with the primary goal to consolidate insolvency resolution process for LLPs, companies, individuals and partnerships. With its introduction, several outdated legislations were repealed and some were overridden.

Further, under its umbrella campaign, ‘Make in India’ with the objective of making business environment conducive to invest and grow, the Government of India has implemented several structural reforms such as GST and amended the land acquisition act and increased transparency. As a result, India saw quantum leap in its relative position in EODB rankings, its global competitiveness ranking and global innovation ranking. Encouraging local production entails the potential to spark huge investments in India:

India’s overall EODB ranking catapulted to 63rd in 2019 from 100th in 2017
India’s ranking in global innovation index jumped to 52 in 2019 from 76 in 2014

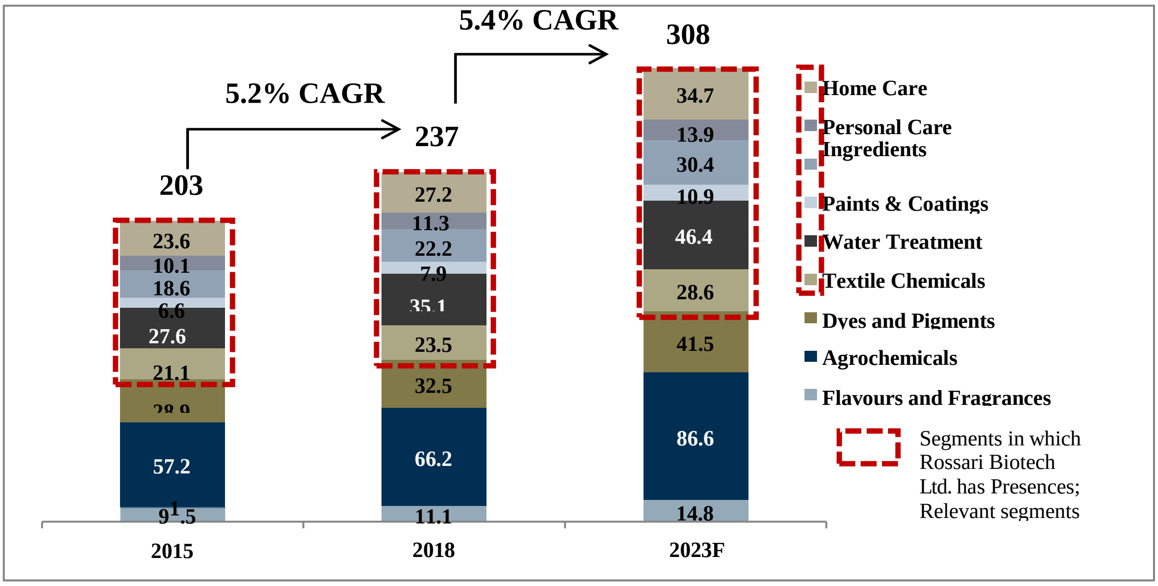
Global Specialty Chemical Industry

Global market size (historic and forecast)

Based on value addition, the chemicals industry can be classified into two broad segments - basic and specialty. In general, basic chemicals are high-volume and low-value products that are sold to other industries for processing further. They are usually manufactured in continuous process plants and there is no major product differentiation across several manufacturers. Sales of basic chemicals are largely driven by price. However, specialty chemicals are low-volume and high-value products which are sold on the basis of their quality or utility, rather than composition. Thus, they may be used primarily as additives or to provide a specific attribute to the end product. Specialty chemicals are more likely to be prepared and processed in batches. The focus is on value addition to the end-product and the properties or technical specifications of the chemical.

The 10 segments that have been covered cumulatively constitute a market of USD 237 billion in 2018 globally and are expected to grow at 5.4% p.a. to reach USD 308 billion by 2023. Paints & Coating additives and construction chemicals, are expected to be the fastest growing segments at 6.5% CAGR during the five year forecast period.

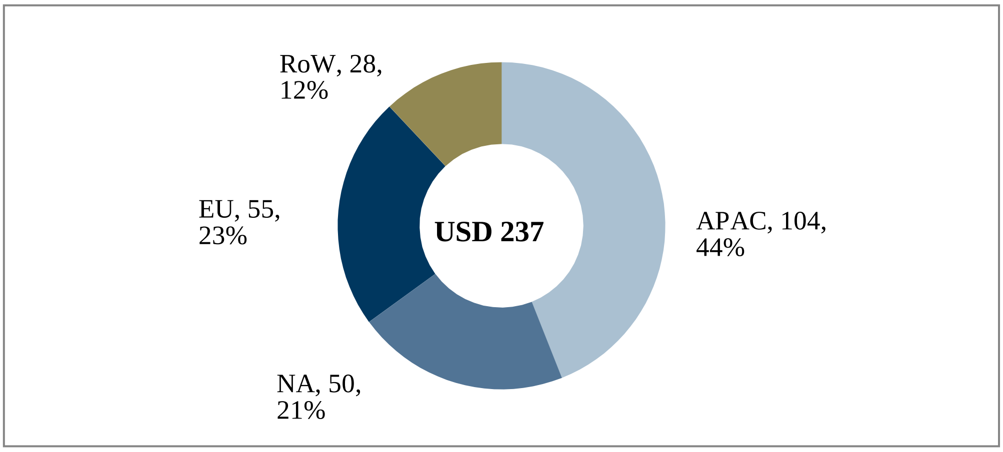
Global Specialty Chemicals Market, Value (USD billion), 2015, 2018 and 2023F



Market segmentation (2018) – by geography

Rapid industrialization in India and China is expected to drive demand for specialty chemicals. The APAC dominates the market across the world, with a share of 44%, owing to the huge customer base, leading to high demand for specialty chemicals, increasing industrial production, and robust growth of the construction sector in the region. APAC is followed by North America and Europe. The global specialty chemicals market is expected to grow at 5.4% CAGR. Going forward the APAC is anticipated to grow at the fastest rate of 6-7% during the forecast period. The specialty chemicals markets in Western Europe, North America, and Japan are relatively mature and hence would record slow growth rates.

Segmentation of Global Specialty Chemicals Market by Geography, Value (USD billion), 2018

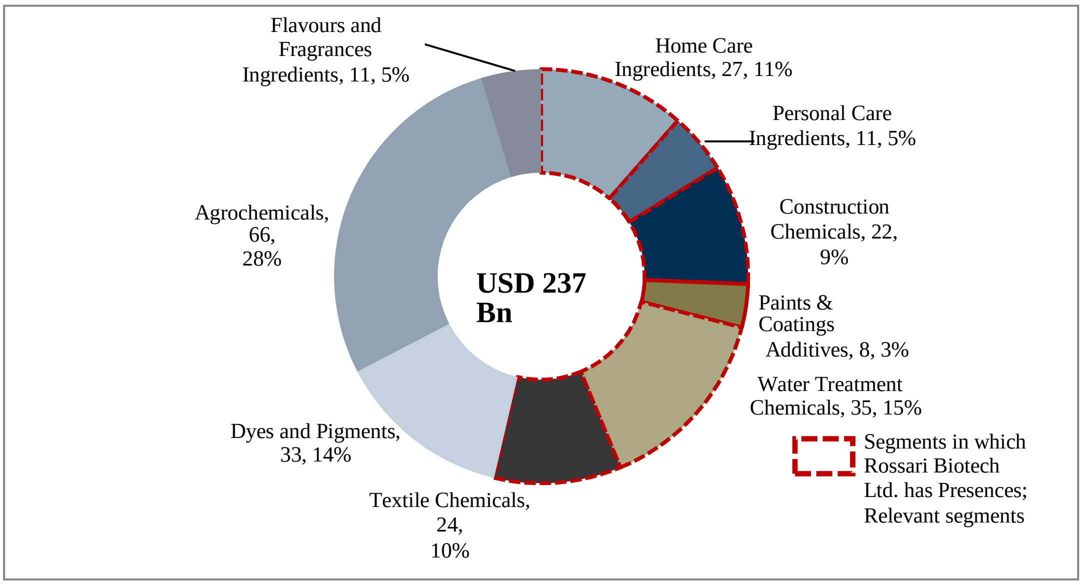


Note: Rossari's relevant market includes following Segments – Home Care Ingredients, Personal Care Ingredients, Textile Chemicals, Construction Chemicals, Paints & Coatings, and Water Treatment Chemicals.

Market segmentation (2018) – by industry and application type

Specialty chemicals industry can be categorized into a mix of end-use driven segments and application- driven segments. In terms of attractiveness, the various segments across specialty chemicals differ in competitive intensity, margin profiles, defensibility against raw material cost movements, and growth.

Segmentation of Global Specialty Chemicals Market by Industry and Application Type, Value (USD billion), 2018



Growth Drivers

Growing consumption of green chemicals (environmentally friendly products)

With increased awareness of the ill-effects of certain chemicals on human and the environment, there is a growing trend in the chemicals industry to shift towards what is known as "green" chemicals

or more accurately sustainable chemistry . These are products which are bio-degradable and which show a significant reduction in environmental when applied-this can be either through reducing energy and water consumption in the process or reducing the chemical and biochemical oxygen demand of the waste generated which reduces treatment costs and is kinder to the environment. The classification across the life cycle of any chemical product including its design, manufacture, application, and disposal. The products can be used for various applications such as food ingredients, home and personal care products, water treatment, and industrial cleaning products. The demand for green chemicals is particularly high from the textile industry which is one of the major end-users of chemicals. The evolution of green chemistry in the chemical industry will be a critical trend fuelling the growth of the green chemicals market. Global Green Chemicals market will grow at a CAGR of 10.5% during 2019-2023

Five year growth forecast split by key industries highlighting key factors driving growth

Segments	**Key growth drivers**	**Global Market 2023 (2018-23 CAGR)**
Home care ingredients	• Growth in Household and industrial and institutional (I&I) Cleaners market • Growing consumption of environmentally friendly products	USD 34.7 billion (5%)

Segments	Key growth drivers	Global Market 2023 (2018-23 CAGR)
Personal care ingredients	• Growth in demand for personal care products is driven primarily by emerging markets in the Asia-Pacific region, particularly China and India which are expected to grow at more than 10% CAGR. • USA and Europe are expected to grow at ~4% primarily driven by the shift towards natural active ingredients.	USD 13.9 billion (4.2%)
Construction Chemicals	• Rise in construction projects across emerging markets and increased adoption of construction chemicals for improvement in quality of projects	USD 30.4 billion (6.5%)
Paints & coatings Additives	• Demand driven by growing automotive industry, increasing urban population, rising household consumption expenditure and improving economic conditions	USD 10.9 billion (6.5%)
Water treatment chemicals	• Strengthening environmental regulations and rising water quality standards for municipal consumption in matured markets of North America and Europe • In emerging markets, strong economic growth resulting in greater municipal and industrial spending in water treatment effort will drive growth of this segment.	USD 46.4 billion (5.7%)
Textile Chemicals	• Increasing demand for finishing chemicals that allow a variety of beneficial properties like anti-microbial properties, wrinkle-free properties, stain-resistance, etc to be imparted to the textile	USD 28.6 billion (4%)
Agrochemicals	• Increasing global population, Decreasing arable land, and consequent requirement to improve crop yields. • New demand for agricultural products would also be created by the use of agricultural products for industrial applications such as in fuel blending and polymer manufacturing, opening up new avenues of applications for agrochemicals	USD 86.6 billion (5.6%)
Flavours and fragrances ingredients	• Strong growth in low-fat and low-carbohydrate foods and beverages in North America • Higher consumer willingness to experiment with new flavours and fragrances • Increased production of processed foods in developing countries causing a spurt in the demand for flavours • A shift in perception of fragrance from being a nonessential attribute to an indispensable part of personal care	USD 14.8 billion (5.9%)
Dyes and Pigments	• Growth is demand for high performance pigments (HPP) which are highly durable pigments, resistant to UV radiation, heat and chemical • Use of eco-friendly colorants such as low impact dyes is emerging	USD 41.5 billion (5%)

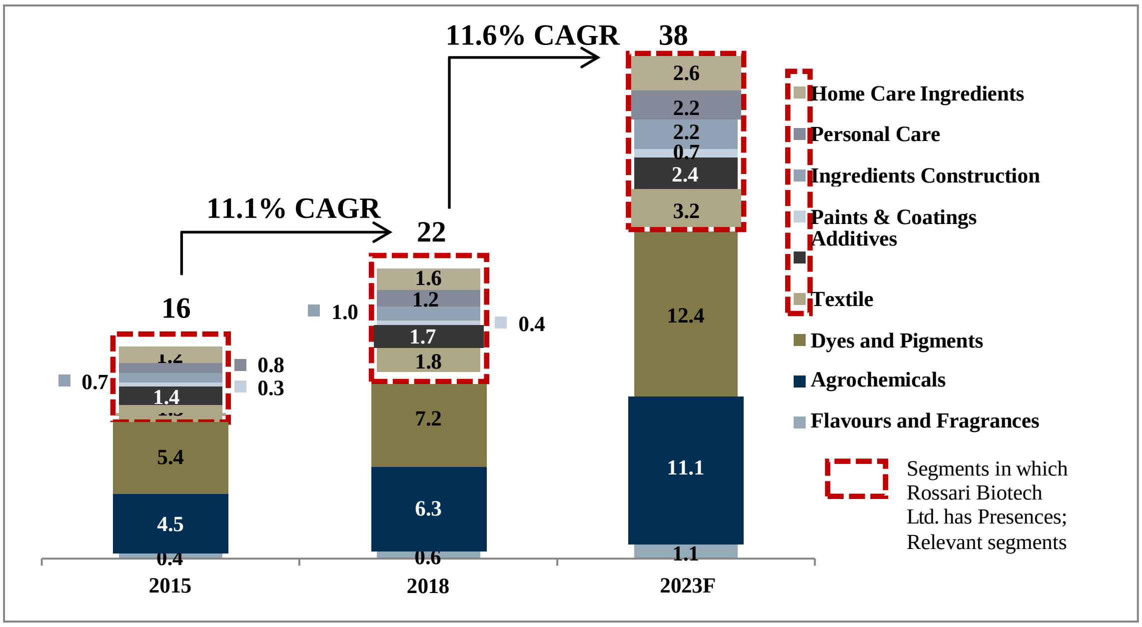
Indian Specialty Chemical Industry

India: market size (historic and forecast)

The specialty chemicals industry is driven by both domestic consumption and exports. Home and personal care chemicals, water chemicals, construction chemicals, etc. are areas where specialty chemicals find applications. The growth of the market is in conjunction with the overall growth of the Indian economy. Exports are on the rise as India is becoming a central manufacturing hub for such chemicals. Tightening of environmental norms (eg. REACH regulations) in developed countries and the slowdown of China are contributing to the growth of exports.

The recently launched "Make in India" campaign is also expected to add impetus to the emergence of India as a manufacturing hub for the chemicals industry in the medium term.

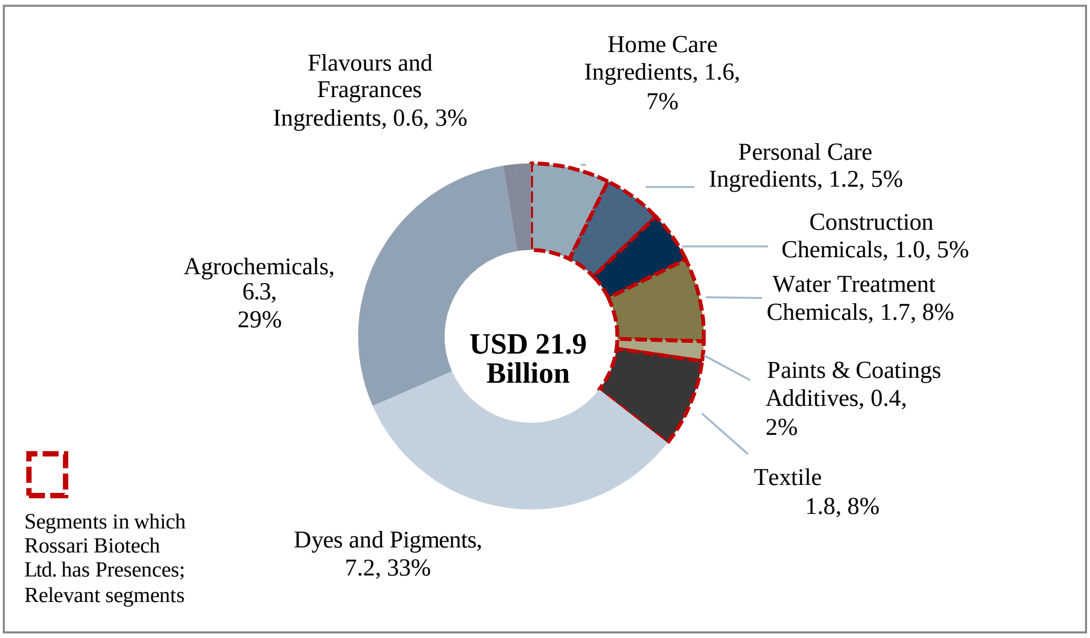
Indian Specialty Chemicals Market, Value (USD billion), 2015, 2018 and 2023F



Market segmentation (2018) – by industry and application type

Traditionally, low cost labour and raw material availability are advantages enjoyed by Indian manufacturing companies. Increasingly, though, specialty chemicals companies are focusing beyond these traditional cost advantages. Product development capabilities have become progressively more important across various segments and differentiate the top and bottom performers.

Segmentation of Indian Specialty Chemicals Market by Industry and Application Type, Value (USD Bn), 2018



The rise of environmentally friendly specialty chemicals in India.

The concept of green chemicals in India is evolving. The rising pollution and harm caused to water bodies owing to emission of harmful chemical effluents into water is leading to rise in concern of sustainability. With increasing awareness of the ill-effects of certain chemicals on humans and the environment, there is growing trend in the chemicals industry to shift towards what is known as “green” chemicals or more accurately sustainable chemistry. These are products which are bio-degradable and which show a significant reduction in environment impact when applied. This can be either through reducing energy and water consumption in the process or reducing the chemical and biochemical oxygen demand of the waste generated which reduces treatment costs and is kinder to the environment. The classification as green or sustainable is measured across the life cycle of any chemical product including its design, manufacture, application and disposal. The products can be used for various applications such as food ingredients, home and personal care products, water treatment and industrial cleaning products. The demand for green chemicals is particularly high from the textile industry which is one of the major end-users of chemicals. The companies in India are still preparing themselves to a larger picture of green and environmentally friendly chemicals start from raw materials to manufacturing process. Over the years it will gain momentum.

Another challenge is seemingly high initial cost of such products which is a major hurdle in getting service providers and consumers accede and adapt the change towards environmentally friendly chemicals. However green chemicals seem comparatively costlier in the initial stage, but their usage over a period of time has shown a reduction in price by approximately 18-20% thus higher ROI.

However, the green chemical wave is inevitable, and it is just matter of time by when the adoption of these new age products will be mandatory and obligatory. People need to be educated about green tendency, green chemical revolution and the benefit of keeping an eco-friendly environment. Once the product is tested by customers they would continue its usage and eventually the industry will prove to be a boom.

Five year growth forecast split by key industries highlighting key factors driving growth

Segments	Key growth drivers	India Market 2023, (2018-23 CAGR)
Home care ingredients	• Growth in population and per capita income to drive growth in this segment	USD 2.6 billion (9.8%)
Personal care ingredients	• Rapid increase in the adoption of personal care products, especially in rural markets	USD 2.2 billion (12.4%)
Construction Chemicals	• Growth in Indian construction industry over the next five years, driven by housing and infrastructure projects • Increase in adoption of global standards of construction in India will lead to growth of this market	USD 2.2 billion (16%)
Paints & coatings Additives	• Growth in per capita paint consumption in India • Strong growth in automotive industry	USD 13 billion (12.3%)
Water Treatment Chemicals	• The growing urban population is adding to the demand for water purification and waste water management • 'Namami Gange Programme' - an Integrated Conservation Mission, approved as 'Flagship Programme' by the Union Government in June 2014 with budget outlay of INR 20,000 Crore to accomplish the twin objectives of effective abatement of pollution, • conservation and rejuvenation of National River Ganga	USD 2.4 billion (7.1%)
Textile Chemicals	• Driven by domestic demand and exports of high quality textiles	USD 3.2 billion (12.2%)
Agrochemicals	• Increase in awareness levels of farmers • Improvement in rural income encouraged by various government schemes • Need to improve agricultural yields at a faster pace compared to the growth in demand to be able to meet food sufficiency targets	USD 11.1 billion (12%)
Flavours and fragrances ingredients	• Marketing by FMCG companies has created demand for categories like deodorants, room fresheners and perfumed soaps in rural markets • Increasing demand for processed food	USD 1.1 billion (14%)
Dyes and Pigments	• The current strategy of most European pigment producers is to use their local facilities for high-end performance colorants for new and niche markets and source non differentiated dye, pigments from low-cost • facilities based in China and India	USD 12.4 billion (11.5%)

Major players in Indian specialty chemicals market

Company	Key Highlights	Revenue* (FY18-19)
Rossari Biotech Limited	• One of the leading manufacturing companies and a well-known brand in Indian specialty chemicals market • The company is a pioneer force in Indian Specialty Chemicals market offering large portfolio of chemicals and enzymes. • Rossari Biotech Limited is the leading manufacturer of acrylic polymers in India • Largest manufacturer of Textile Chemicals in India (as on September 30, 2019)	₹ 516 Crore
Fine Organic Industries Limited	• Pioneer and largest manufacturer of oleo chemical-based additives in India • One of top five global players in the plastic additives industry	₹ 1,064 Crore
Vinati Organics	• VOL is a global leader in specialty chemicals with 65% market share in IBB and ATBS —2Acrylamido-2-Methylpropane Sulfonic Acid (ATBS) and Isobutyl Benzene (IBB) • The company is the largest manufacturer of IB in India with 70% market share • 65% global market share of IBB • 55% global market share of ATBS • 70% global market share of ATBS	₹ 1,158 Crore
Aarti Industries Limited	• Ranked amongst top three players globally in Chlorination • Ranked amongst top four players globally in Nitration • Ranked amongst top two players globally in Ammonolysis • Ranked amongst top two players globally in Hydrogenation	₹ 4,552 Crore
Galaxy Surfactants Limited	• Amongst leading surfactant producers for home and personal care with 60% market share in India	₹ 2,032 Crore
Atul Limited	• Works with 2,250 distributors; Caters to more than 27 industries and has a base of over 6,000 customers • The aromatics segment is one of Atul's strongest segments on account of its market leadership in its 3 flagship products. • Polymers is another major sub-segment driven by high growth in end-use industries.	INR 3,845 Crore

**Revenues are on Standalone basis and have been rounded off to nearest integer value*

This speciality chemical industry is expected to become more competitive leading to further consolidation of the market.

<u>A. HPPC Industry</u>

Global HPPC Industry

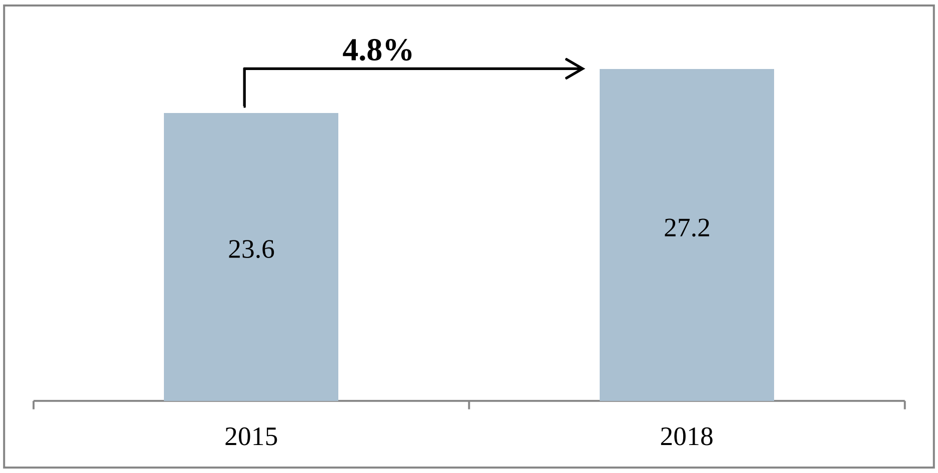
Global home care ingredients market

The home care ingredients comprises of ingredients which are used in manufacturing of home care products such as floor cleaners, detergents, toiletries, etc. that have applications in home and industries. Household cleaning products are typically intended for use in homes for utensil cleaning, toilet cleaning and surface cleaning. Whereas, the Industrial and institutional (I&I) cleaners are intended for cleaning of industrial and institutional establishments including production facilities, schools, hospitals, hotels, health clubs, theatres, among others.

Global market size (historic and present)

The global home care ingredients market was valued at USD 23.6 billion in 2015 and it grew to USD 27.2 billion in 2018 registering a CAGR of 4.8%. The home care and cleaning products market has growing rapidly due to dynamic factors including a growing population, the rising awareness of health and hygiene concerns, and increasing income levels, particularly in developing countries. These factors have triggered the sales of cleaning products to grow at double-digit figures in certain countries in the last few years. As a result, sales of ingredients used in these products have also witnessed a strong performance in the past couple of years.

Global Home Care Ingredients Market, Value (USD billion), 2015 and 2018

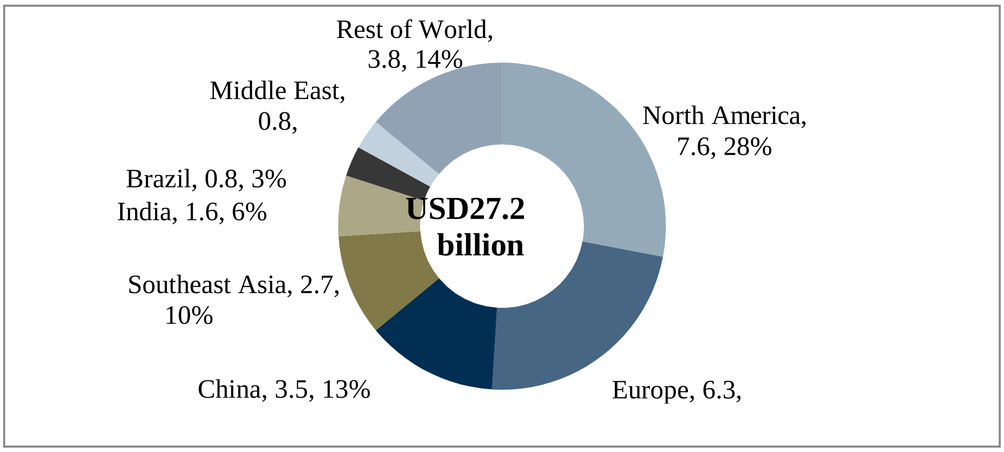


Market segmentation (2018) – by geography

North America and Europe together account for more than 50% of the global market with both the regions holding 28% and 23% shares respectively. They are followed by China and Southeast Asia, which are the most advanced markets among developing countries. India, the Middle East, and Brazil make up the remaining main markets. Remaining regions are clubbed under Rest of World and account for about 14% of the total market.

Asia-Pacific is estimated to be the largest and the fastest-growing region for Home care ingredients market, in terms of value. This is attributed to the increasing demand for Industrial cleaning chemicals in the manufacturing & commercial offices, healthcare, retail & food service.

Geographic Segmentation of Home Care Ingredients Market, Value (USD billion), 2018



Market segmentation (2018) – by end-use industry

The home care ingredients market is split across household and industrial and institutional (I&I) segments with Household segment dominating the industry with more than 75% share. The I&I segment is more price sensitive compared to household applications therefore, consumption of expensive ingredients such as enzymes and fragrances are relatively less used in its product formulations. For example, the household segment accounts for

95% of enzymes sales and 85% of fragrances sales in terms of value. The end-use segment share varies from one region to another. For example, in Asia, the household segment accounts for close to an 85% share, while in Europe and the United States, it accounts for close to a 75% share.

Market segmentation (2018) – by application

Within home care ingredients market, laundry care is the key application, accounting for close to a 60% share in total ingredients value, followed by hard surface cleaners and dish care applications. Floor care and deodorizers and disinfectants have a relatively low value share compared to other applications in total ingredients value.

However, the application share varies across regions. For example, in developed markets such as the United States and Europe, laundry care has around 55% share in total ingredients value, whereas its share in Asia is more than 70% in total ingredients value. This is mainly due to a difference in usage of different ingredients when producing cleaning products in the developed and the developing markets.

Market segmentation (2018) – by product type

Surfactants: In terms of ingredient categories, surfactants dominate the market, accounting for more than three-fourth of the total market value. Surfactants or surface active agents are organic compounds that lower surface tension between two liquids or between a liquid and a solid. Surfactants can be broadly defined as compounds which concentrate at surfaces (interfaces) such as water-air or water-oil when dissolved in water. They are the most widely used ingredient in everyday cleaning products. They enable the cleaning solution to wet a surface (such as clothes, dishes, and countertops) more quickly, so soil can be readily loosened and removed (usually with the aid of mechanical action). In terms of their function, they are used to improve cleaning efficiency, emulsifying, wetting or dispersing actions, solvency, foaming/de-foaming and lubrication potential of cleaning agents and other products. Alcohol ethoxylates, alkyl benzene sulfonates, and alkyl ether sulfates are the largest surfactant types, holding more than 50% of the total market sales of surfactants.

Acrylic Polymer: Polymers have found wide utility in detergent and cleaning formulations for past 25 years. There are several types of polymers used in detergents and cleaning products. The main function of polymers is of acting as anti-soil re-deposition agent. Apart from this, polymers help in part replacement of builders like STPP and also inhibit unwanted hydrolysis which results in loss of active substance. The polymer is widely used for processing of household products such as surface and floor cleaners. Additionally the product is characterized by good dispersion and fabric softening properties, owing to which it is utilized as key ingredient for manufacturing of detergent builders. Furthermore, this polymer is used in processing of liquid detergents used in laundry and cleaning of household products. In general, Examples of polymers used in the detergents and cleaning products include polycarboxylates, vinyl pyrrolidone and polyvinyl pyrrolidone with the largest volume being polycarboxylates. Polymeric builders in the form of anionic polycarboxylates based on acrylic acid account for more than 90% of all polymers used in detergents.

Enzymes: Fragrances and enzymes are among the most expensive ingredients used in this industry and therefore have a higher share in value compared to rheology control agents or bleach that are consumed in higher volumes.

Growth Drivers

Growing consumption of environmentally friendly products: There is shift of consumers preference towards environmentally friendly cleaning products, which has resulted in an increase in the demand of environmentally friendly or safe ingredients for manufacturing cleaning products. This trend is also supported by regulations. Europe is at the forefront of forming regulations to increase the usage of environmentally friendly ingredients in manufacturing cleaning products. For example, the detergents regulation has led to nonionic surfactants overtake anionic surfactants as the most-consumed surfactant in the home care industry, as nonionic surfactants are more biodegradable. One restraint in this category, however, is that the cleaning products market remains a price-driven market, and the high price of natural products driven by use of more expensive ingredients may dissuade consumers.

Alkyl polyglucosides (APG) in particular have benefited from this market shift, as they are environmentally friendly and have good dermatological properties. Enzymes also benefit from this market shift, as they are both environmentally friendly and effective in energy-saving, lower temperature cycles. One restraint in this category, however, is that the cleaning products market remains a price-driven market, and the high price of natural products driven by use of more expensive ingredients may dissuade consumers. The environmental awareness trend has also led to changes in cleaning practices. For instance, laundry care is shifting toward lower temperature washing to save energy and reduced water usage to conserve water. This continues to shape new product development within the homecare industry and is affecting the ingredients usage in the industry. This trend has helped ingredients such as enzymes to grow in the market, as they are effective and ensure performance at lower washing temperatures. As a result, enzymes have already achieved 100% penetration in household laundry products in Europe and the United States. Enzymes usage in I&I laundry care products is also increasing in Europe and the United States. Their usage in other applications is expected to grow in the future as the lower washing temperature trend becomes stronger. However, high prices of enzymes will adversely impact their growth in the market. Within the different type of enzymes, proteases and amylases are most commonly used in cleaning formulations.

Growth in Household and I&I Cleaners market: The global household cleaners market is anticipated to reach USD 40.38 billion by 2025, growing at a CAGR of 4.4% from 2018 to 2023. The industrial and institutional cleaners market is expected to grow at a CAGR of ~6% during the forecast period. The growth of cleaners market will have direct implication on growth of home care chemicals market indicating a similar growth trajectory for the market.

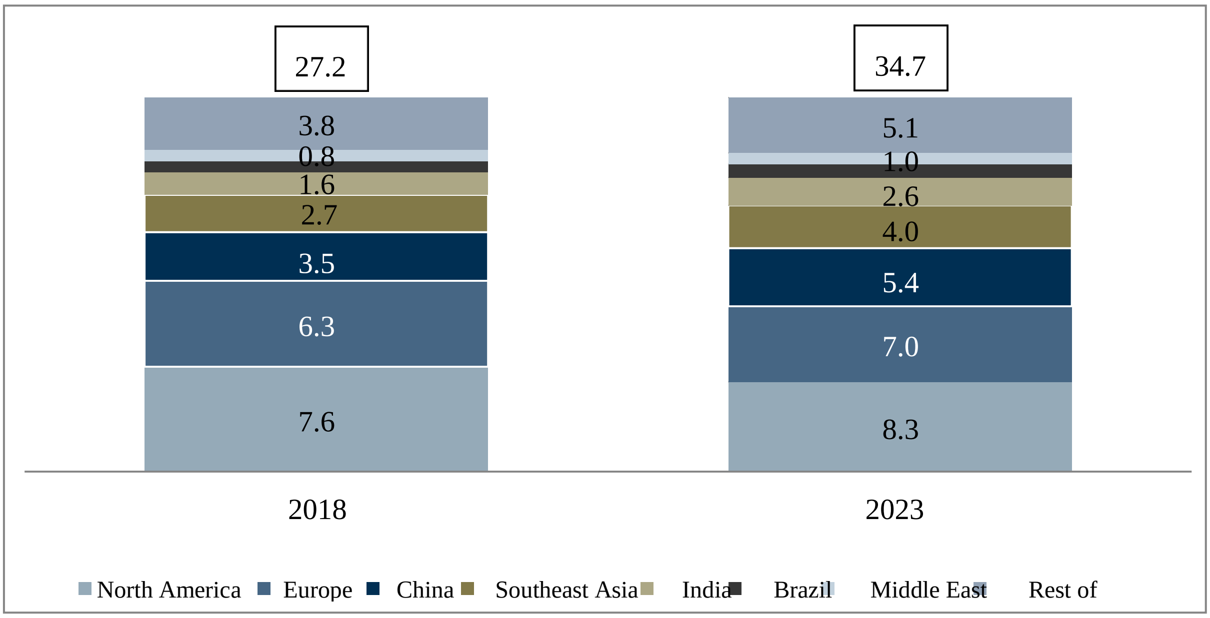
Market forecast and major tailwinds

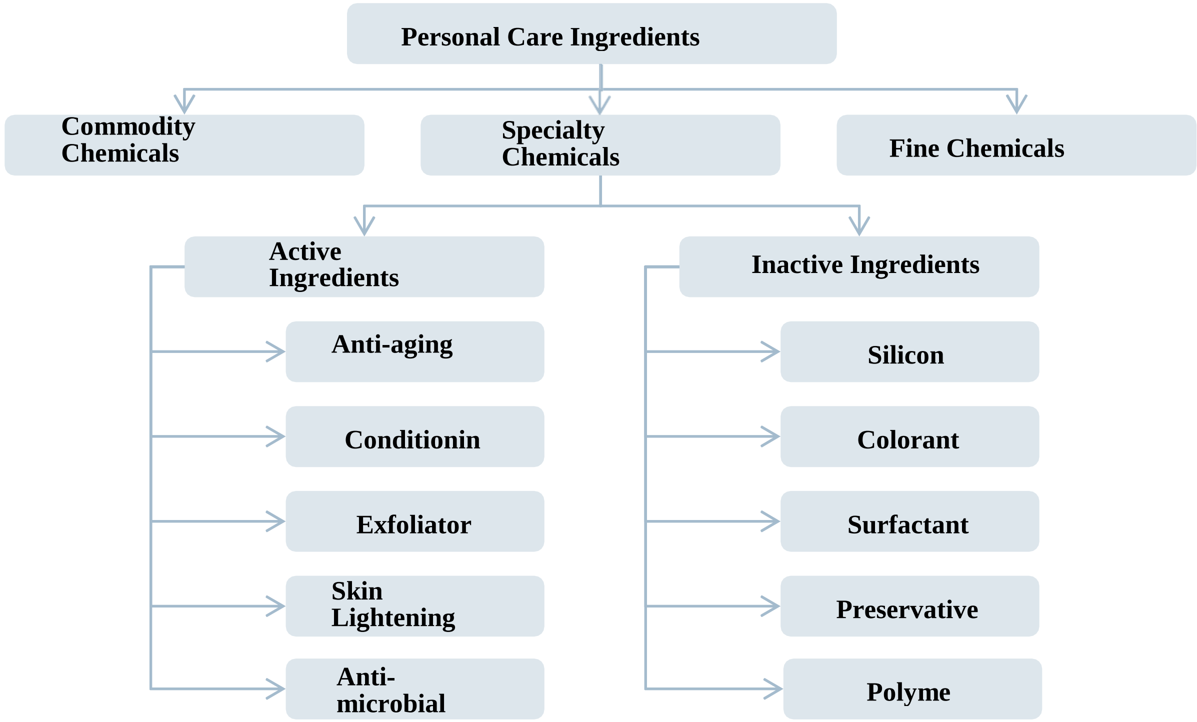
Based on the trends seen in the market, it is expected that the market for HI&I cleaning ingredients is expected to grow at a CAGR of 5%-6% until 2023. Growth will be led by the developing markets of Asia and South America, as the growth in the mature developed markets of Europe and the United States slow down to 1%-2% CAGR. Fragrances and enzymes, followed by surfactants, will be the fastest- growing ingredient groups.

Global personal care ingredients market

Personal care ingredients are a series of raw material used in personal care products and in cosmetic formulas to carry out an action on the skin compatible with the results they claim to deliver. It includes the surfactants conditioning polymer emulsifier and emollients and others. These ingredients are mainly used in skin care, hair care cosmetic and oral care products as they fight inflammation, enhance collagen production, free radical damage, oppose glycation, assist in cell regeneration, and help speed cell turnover or prevent and reverse photo aging.

The market for personal care ingredients is broadly classified into commodity, fine chemical, and specialty chemical ingredients. Specialty ingredients are further classified as active and inactive ingredients based on their functionality in consumer products.





Personal care active ingredients are ingredients are added in personal care and cosmetic products to enhance their functional properties. Active ingredients fulfil anti-aging, exfoliation, sun protection, moisturizing, antimicrobial, and other functions such as skin lightening. They are utilized in various skin care products such as facial and body creams, lotions, masks, and other formulations.

Personal care inactive ingredients refer to those ingredients that provide physical and process able properties to a formulation as opposed to active properties. They are added to personal care products for three main reasons viz., as a vehicle to deliver active ingredients to the skin; as a preservative to help maintain reasonable shelf life for the product; and to make it feel, smell and look nice.

Global market size (historic and present)

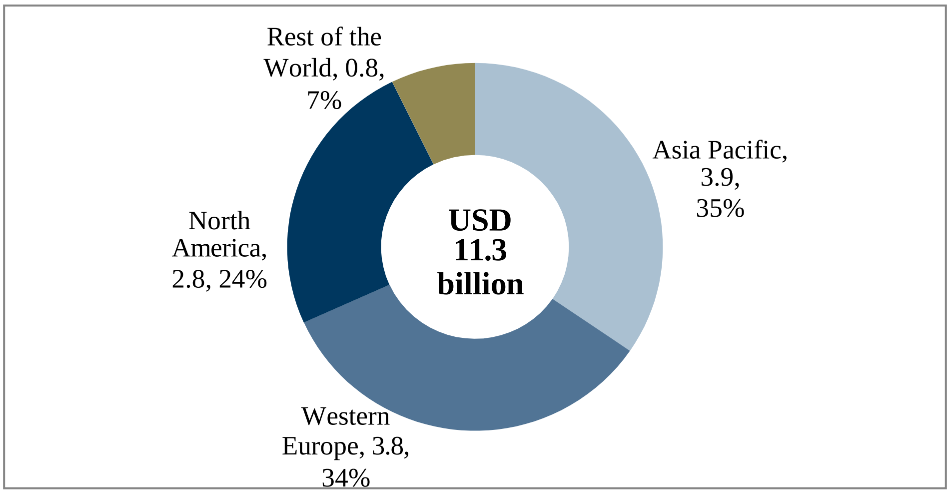
Global personal care ingredients market accounts for 2.6% of total specialty chemicals market. The personal care ingredients market was historically sized at ~USD 10.1 billion in 2015 and was pegged at USD 11.3 billion in 2018 recording a growth rate of CAGR 3.8% between 2015 and 18.

Currently, active ingredients constitute about 35% of specialty chemicals. This share is expected to increase with increasing consumer awareness and a growing demand for dedicated personal care products. Personal care products, particularly anti-aging, conditioning, and other functionalities such as UV filter ingredients are expected to steer the growth of active ingredients. This coupled with the global market shift toward natural active ingredients for personal care products is expected to make active ingredients all the more attractive.

Market segmentation (2018) – by geography

Asia-Pacific is the prime market for personal care ingredients. The Asia-Pacific region is estimated to hold the largest share of the global personal care ingredients market in 2018, in terms of value. Countries like China, India, Indonesia, and Thailand is experiencing growing population and rapid urbanization. Accompanied by rising disposal income and increased spending power of consumer positively, there is a massive impact on the global personal care ingredients market. The availability of affordable personal care products in the region is also a main driver for the rising demand for personal care ingredients. Europe and North America follows the same trend; increasing consumer inclination towards beautifying products drives the market in these regions. Changing outlook of the people for looking young and charming in the Western countries is fuelling the demand of global personal care ingredient market.

Geographic Segmentation of Personal Care Ingredients Market, Value (USD billion), 2018



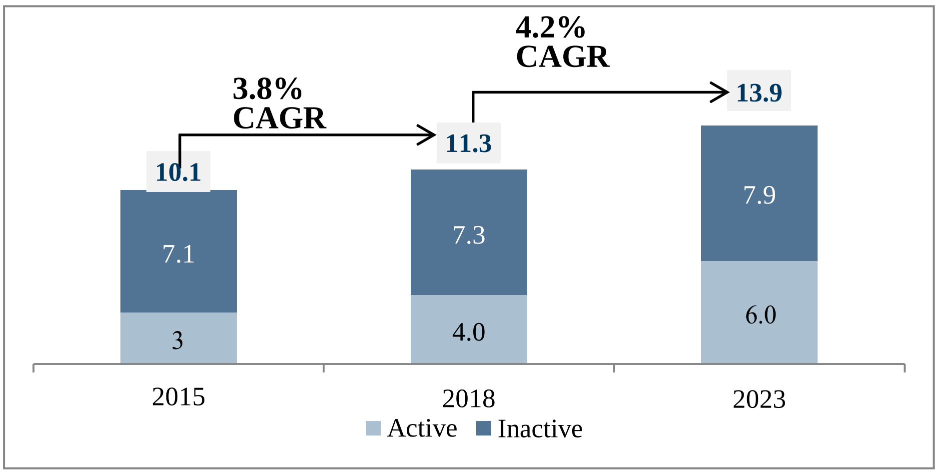
Growth Drivers

<u>High consumption base in developing nations</u>: Personal care spending per capita is correlated to the GDP growth of a nation. Demand for personal care products from rapidly growing economies such as Brazil, India, and China as well as emerging economies such as Thailand, Indonesia, and Malaysia presents a number of opportunities for the industry. With rapidly expanding urban populations, there has been an increase in purchasing power among the middle class populations. This in turn has driven spending on personal care products. These growing economies will remain important growth drivers for the active ingredient market till 2023. Another important parameter that makes these growing economies attractive is the large population base. China having done away with its "one-child" policy, growth in the Asian region is expected to gain momentum in the future.

Market forecast and major tailwinds

The global personal care ingredients market will be driven by increased purchasing power of consumers and change in the standard of living in emerging economies. Moreover, growth in demand for multifunctional ingredients and increase in geriatric population will boost the market growth. However, stringent government regulations and rise in demand for natural ingredients restrict the market growth of synthetic ingredients. Manufacturers and industry suppliers have started to move towards naturally- sourced ingredients which are positive developments in the personal care ingredients industry. With rising awareness among consumers, who are more concerned about the health effects of ingredients they use, all-natural solutions for hair care, oral care, and cosmetics have increasingly gathered traction in recent times. The personal care ingredients market has also seen rewarding avenue in the rising research into botanicals, which may pave way for more successful personal care ingredients.

Global Personal Care Ingredients Market Forecast, Value (USD billion), 2015, 2018 and 2023F

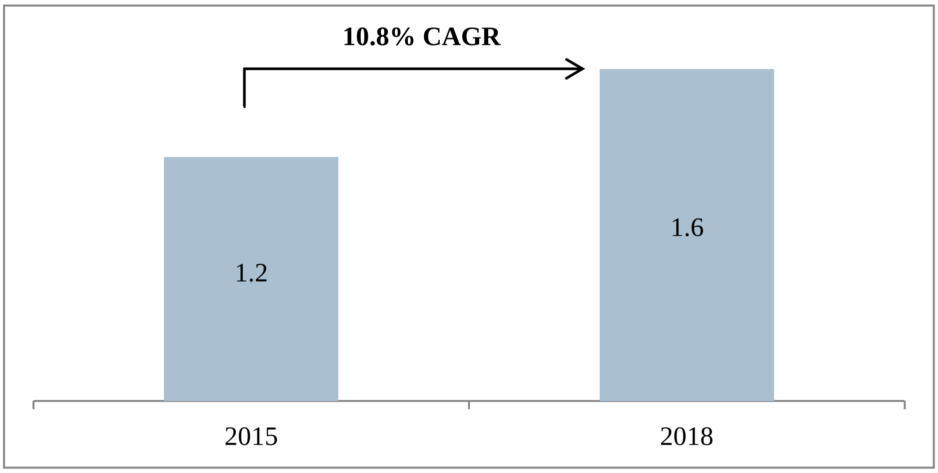


Indian HPPC Industry

Indian market size (historic and present)

The Indian home care ingredients market was valued at USD 1.2 billion in 2015 and it grew to USD 1.6 billion in 2018 registering a CAGR of 10.8%. The ingredients market was driven by growth in the home care products market in India which has flourished over the past years due to the increased awareness about health and hygiene, as well as considerable increase in per capita disposable income. These factors have triggered the sales of cleaning products to grow at double-digit figures in certain countries in the last few years. As a result, sales of ingredients used in these products have also witnessed a strong performance in the past couple of years.

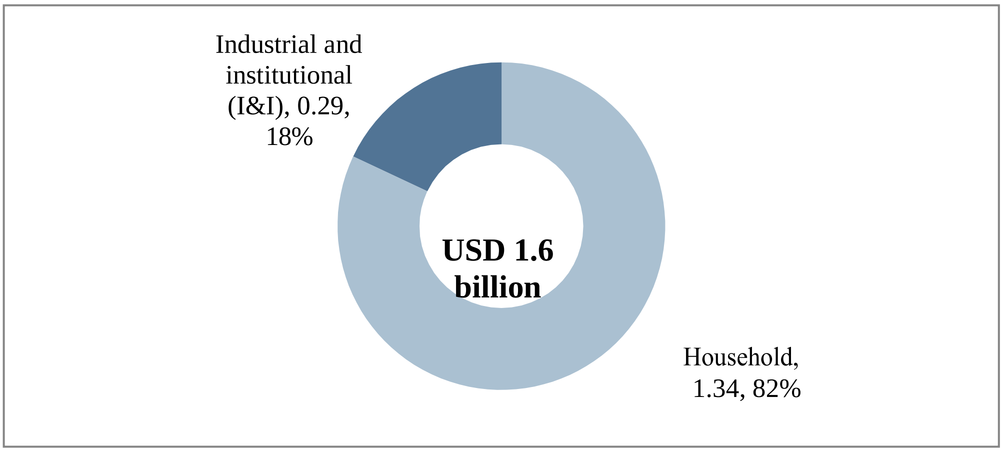
Indian Home Care Ingredients Market, Value (USD billion), 2015 and 2018



Market segmentation (2018) – by industry type

Within homecare market, the household segment accounts for the majority share owing to large population base of the country leading to higher consumption of homecare products in home. The industrial and institutional segment accounts for less than 20% of the total market. Within I&I, the institutional chemicals captured a majority share on the back of rising demand from rising number of universities, colleges, hospitals, hotels, restaurants chains, laundry and dry cleaning services, corporate offices, etc. The segment is anticipated to maintain its dominance through 2023. Hotel and lodging end use industry dominated the institutional cleaning chemicals market in India in 2016. The second largest share in I&I was captured by office spaces due to rising urbanization and surging investments in construction activities.

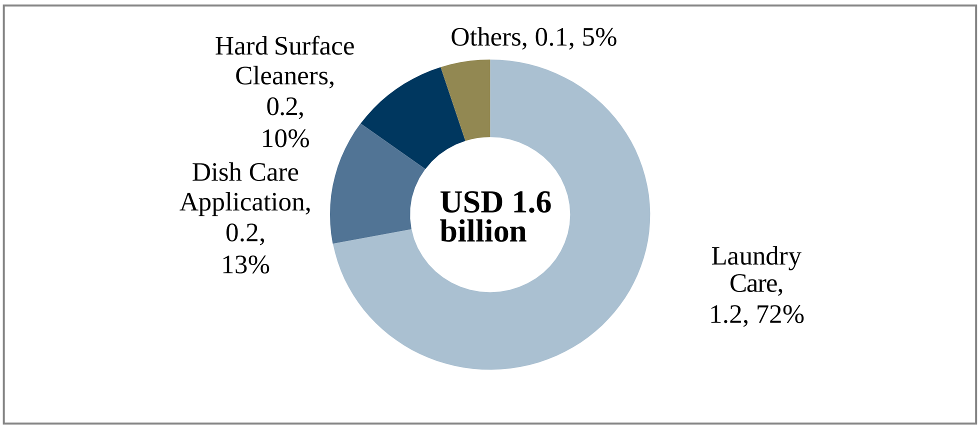
Segmentation of Indian Home Care Ingredients Market by Industry Type, Value (USD billion), 2018



Market segmentation (2018) – by application

Fabric care is a major category accounting for 68% of the household care sector. Non-automatic detergents, such as hand-wash detergents and bars, are the most popular forms. Liquid and powder detergents are becoming more prevalent as the Indian middle class prefers speedy and convenient household care. While fabric care is a well-established market, other segments of home care market such as air care and specialty surface cleaners are emerging markets. The dish soap category is the second largest category in India. The penetration of dish cleaning agents is low in India and they still use traditional methods of cleaning utensils. However the usage of dish cleaning agents is high in urban areas where dishwashing liquids and bars are more preferred rather than traditional dishwashing powders. The surface care segment, accounting for third largest segment, consists of household cleaners and antimicrobial products. Reckitt Benckiser's liquid antiseptic Dettol and multipurpose cleaners Colin, and Lizol, etc. are the most prominent followed by Hindustan Unilever's Cif household cleaner.

Segmentation of Indian Home Care Ingredients Market by Application, Value (USD billion), 2018

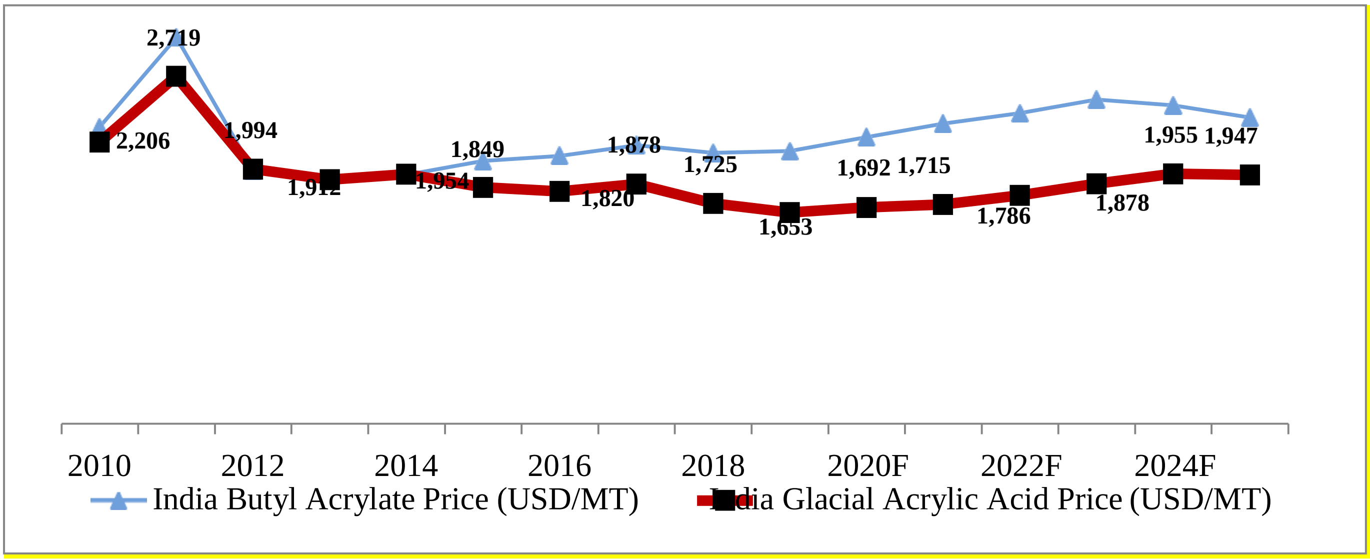


Industrial and institutional cleaning chemicals - competition analysis (2018)

Some of the leading players operating in homecare ingredients market are Diversey India Private Limited, Schevaran Laboratories Private Limited, Satol Chemicals, Ecolab India, Buzil Rossari Private Limited, Haylide Chemicals Private Limited, Altret Industries Private Limited, Croda India Company Private Limited, and BASF India Limited, among others.

Raw material assessment

Glacial Acrylic Acid and Butyl Acrylate CIF Price (USD/MT), Historic and Future Outlook



Drivers and restraints

National Health Policy 2015: The policy formulated by Government of India has increased the expenditure in healthcare sector and laid down certain objectives to achieve health and wellbeing for all at the highest possible level. All these factors are estimated to positively influence the industrial & institutional cleaning chemicals market in India during 2017-2026.

High population and growing need for hygiene: India is a thriving economy holding tremendous opportunities for cleaning chemicals companies. The country is second most populated country in the world. It is growing fast and the pace of urbanization is simply an unbelievable one. With these trends the country is also facing a number of challenges. The incidence of infections is also increasing, paving way for the rise of homecare ingredients industry. The rapid urbanization is coupled with fast commercialization and millions of business establishments look for homecare products to meet their cleaning and hygiene requirements.

Fragrances and odour control agents: There is an increased usage of fragrances and odour control agents in cleaning products. Consumers now want cleaning products that are not only effective but also provide aesthetic value, as sensorial perception of a product is becoming important to choose a product. This trend is picking up at a fast pace in India

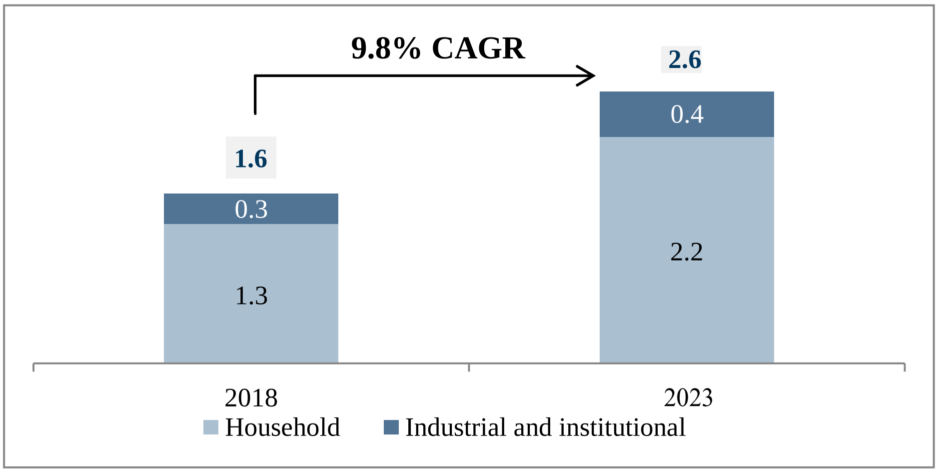
Globally shift towards liquid products, however low penetration in India: The second key trend is the continued shift of the cleaning market toward liquid products. The shift is more prominent in developed markets; however, the trend is catching up in developing markets such as China, Southeast Asia, and Brazil. For example, in China, demand for liquid laundry detergents is growing at 10%, while the demand for powder detergent is growing at 1%. However, India is the only market where liquid detergents are facing problems in penetrating the market. India is a price-sensitive market, and most consumers prefer powder detergents that are lower priced. Further, only two to three liquid detergents are available in the market. However, it is expected that in decade or so the demand for liquid detergents will grow and will be at par with other developing nations.

Market forecast and major tailwinds

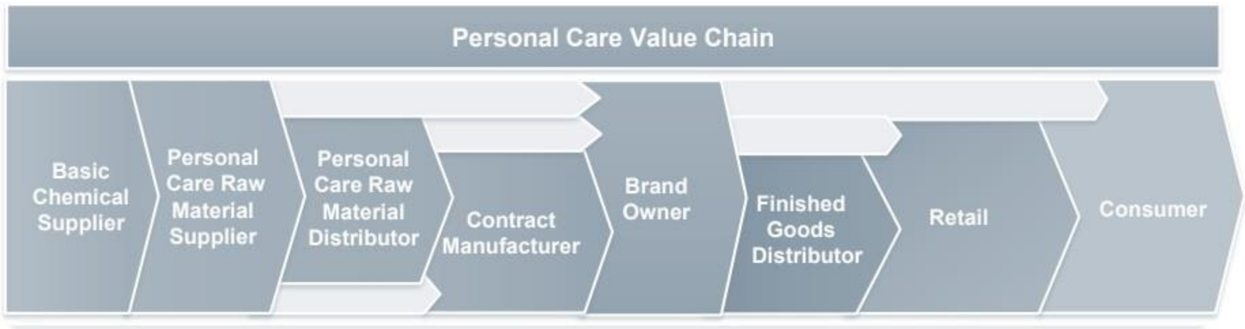
India cleaning chemicals market is expected to reach USD 2.6 billion by 2023 at a projected growth rate of CAGR 9.8% in value terms. The growth will be driven by increasing incidence of various infections, rapid urbanization, coupled with growing number of new commercial setups and increasingly stringent safety standards. Additionally, setting up of new healthcare setups, rising disposable income and launch of new and innovative cleaning chemicals are propelling the market for homecare ingredients in India.

Among the industry type, household would account for a higher growth rate of 10.3% whereas the I&I segment is expected to grow at 7.6% on account of anticipated growth in food processing industry, healthcare sector and favourable government regulations. Moreover, the need for removal of dust particles, disease causing bacteria and micro-organisms and improving standard of living are also predicted to boost the market in the coming years.

Indian Homecare Care Ingredients Market Forecast, Value (USD billion), 2018 and 2023F



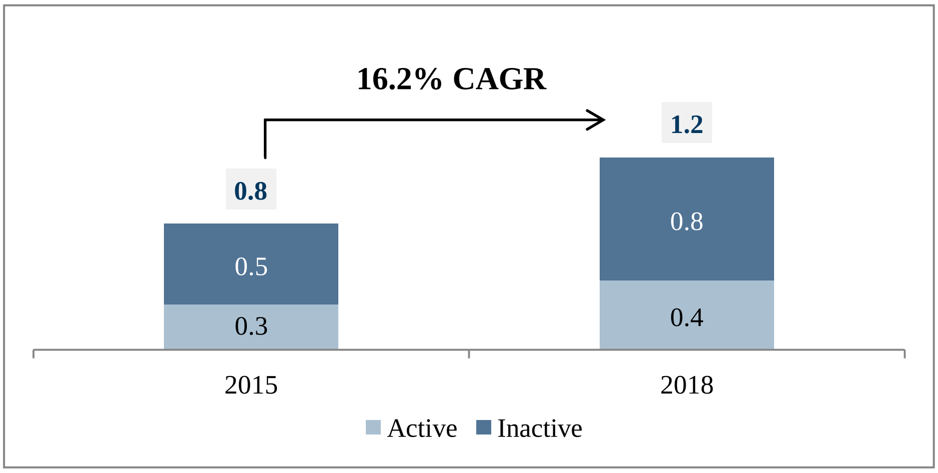
Indian personal care ingredients market



Indian market size (historic and present)

The Indian market for personal care ingredients grew at 16.2% CAGR over the last four years, from USD 0.8 billion in 2015 to USD 1.2 billion in 2018. Over the next five years the industry is expected to grow at 15% to reach USD 2.6 billion by 2023. Increasing growth in the 2015-18 periods was primarily driven by improvement in economic environment and increasing purchasing power of the Indian population.

Indian Personal Care Ingredients Market, Value (USD billion), 2015 and 2018



Currently, active ingredients constitute about 36% of personal care ingredients market. This share is expected to increase with increasing consumer awareness about the ingredients and higher penetration of premium products. India is also witnessing increasing consumption of higher end, discretionary and prestige products, which typically use higher value active ingredients driving growth in the ingredients market. For instance, nearly 50% of the total new launches in the personal care space were premium brands driven by increase in disposable income, rising young working population and growth in organized retail.

Market segmentation (2018) – by product type

Active ingredients comprise of conditioning agents, UV ingredients, anti-ageing ingredients, exfoliants and others. Currently the largest segment within actives is conditioning agents with a 21% share. This is followed by UV ingredients, with a 16% share. However, these categories are now reaching saturation, and are expected to witness steady, single digit growth rate. Both anti-ageing ingredients and exfoliants have ~ 8% share each, but are expected to grow at a much more rapid pace.

Personal Care inactive ingredients refer to those ingredients that provide physical and process able properties to a formulation as opposed to active properties. These include ingredients such as surfactants, silicones, preservatives, colorants and polymer ingredients. Surfactants and silicones are key cost drivers for cosmetics and hence a major focus of cosmetics manufacturers' cost reduction. Most of the inactive ingredients are procured from domestic suppliers with imports for only special ingredients.

Silicones are used to increase water resistance in a formula. This is particularly useful for sun-protection products, foundations and powders, especially those that make the claim of being water-resistant and waterproof. It is also widely used in hair products. Silicones make hair feel smooth, soft and moisturised. They also help it feel cleaner and easier to comb, by reducing friction. Silicones are used in many shampoos and conditioners to make hair feel bouncy, shiny and easy to comb. In today's market, the majority of personal care products contain a certain level of silicone. Their versatility and aesthetic characteristics make them a useful 'go-to' ingredient for every kind of personal care application from make up to sunscreens, face, body, antiperspirant and hair care. They find application spanning all brand lines from the simplest, cost effective shampoo for everyday use to class leading and innovative anti-ageing serums.

Market segmentation (2018) – by geography

India personal care ingredients market is dominated by north region, owing to large presence of cosmetic and beauty product manufacturers in states such as Himachal Pradesh and Uttarakhand. Besides that, rising living standards and increasing consumer spending in Tier I and Tier II cities are among the major factors expected to influence the growth of personal care ingredients in India.

Competition analysis (2018)

The market for personal care ingredients in India is becoming increasingly sophisticated. The constant entry of foreign manufacturers has raised the standards expected of suppliers in this market. Market is characterized by strong presence of MNCs such as Wacker AG, Dow, Merck, DuPont, DSM, BASF and Croda. The major Indian companies producing active ingredients are Aarti Industries and Galaxy Surfactants. Many Indian players, especially the small and midsized companies, are largely present in inactive ingredients which have lower margins compared to active ingredients. Active ingredients require extensive R&D and are mostly produced by MNCs who typically import them into India.

Large MNCs	**Large-Medium Indian Players**
• Large MNCs have a significant presence in the India market • These companies usually have a larger product portfolio as compared to their Indian counterparts • **List of Companies** ➢ Wacker AG ➢ Dow ➢ Merck ➢ DuPont ➢ DSM ➢ BASF ➢ Croda international ➢ Huntsman corporation	• Large Indian players are competing with large MNCs across various products • These companies typically have in-depth market understanding, strong distribution network and established customer base • **List of Companies** ➢ Aarti Industries ➢ Galaxy Surfactants ➢ Atul Limited

Company	Financials	Remarks
Galaxy Surfactants	Revenue (Financial Years 2018-19): ₹ 2,768 Cr. (USD 425 Million) EBITDA: ₹ 358 Crore (USD 55.1 Million) EBITDA Margin: 12.9%	• Leading manufacturer of Ingredient for Home & Personal care Industry (HPC) • Product applications across Mass, Mass-tige & Prestige range of Customers • Integrated across full value chain of HPC industry
Atul Limited	Revenue (FY 2018-19): ₹ 3,845 Crore (USD 565 Million) EBITDA: INR 736 Crore (USD 108 Million) EBITDA Margin: 19.2%	• Caters to more than 27 industries and has a base of over 6,000 customers • The aromatics segment is one of Atul's strongest segments on account of its market leadership in its 3 flagship products. • Polymers is another major sub- segment driven by high growth in end-use industries.

**Financials are reported on standalone basis*

Growth Drivers

<u>Growing Awareness Leading to an Increase in Consumer Demand</u>: A strong need to look young among consumers has led to a robust demand for personal care products. High awareness on the harmful effects of sun exposure has mooted the sales of sun care products and is expected to continue to do so till 2023. With respect to ingredients, consumers do not want products laden with unnecessary ingredients. They prefer effective personal care products with a higher concentration of active ingredients, driving the growth of the active ingredients market.

<u>Increasing Demand for Personal Care Products among Men</u>: Traditionally, women have been the major consumers of personal care products. However, since the last few years, men are increasingly becoming conscious of their appearance and are willing to purchase suitable cosmetic products. As men are spending more money and effort on their appearance, companies are keen to invest in innovation of male grooming products. The innovation landscape is therefore dynamic, particularly in the skincare and haircare categories as brands compete to meet the unique needs and preferences of male consumers. Hence, the share of personal care products for men is expected to continue to increase in near future.

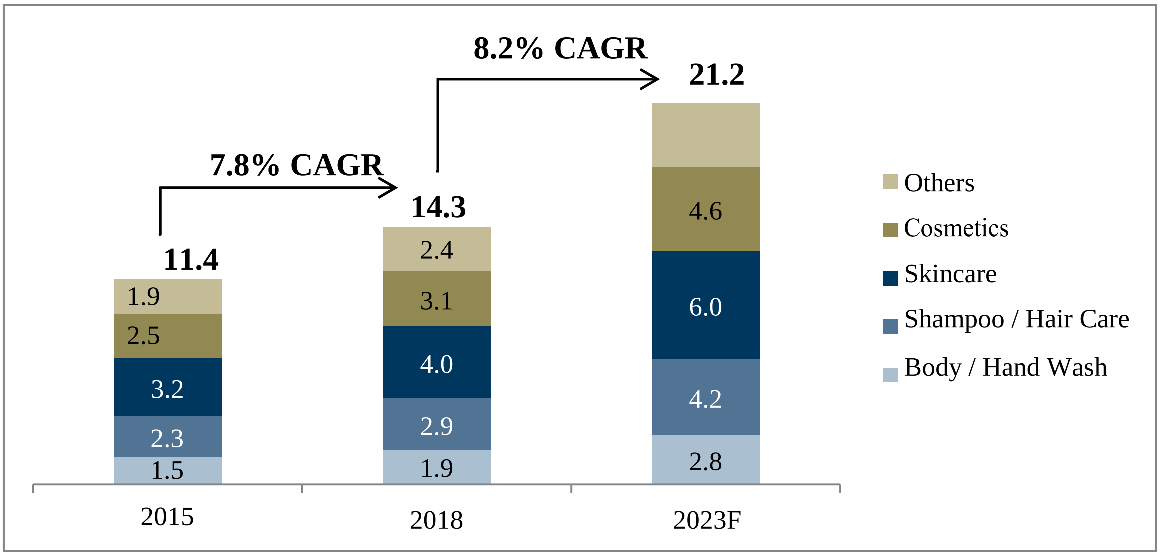
<u>Premiumization</u>: Premium Segments in India are showing good growth potential with increasing awareness and evolving consumers who are ready to spend more on quality products. There is an increasing consumption of higher end, discretionary and prestige products, which typically use higher value active ingredients driving growth in the ingredients market.

<u>Growing demand of Esters</u>: Esters are a particular type of ingredient that personal care product manufacturers should pay attention to, in order to capitalize on current trends and elevate the quality of personal care products, is esters. Esters are fatty acids that are natural, sustainable and come with a whole host of benefits. They can enhance the feel and performance of other ingredients and come with powerful benefits of their own. In particular, in recent years, there has been a rising demand for esters in the personal care space, where they can stand in for traditional petroleum ingredients.

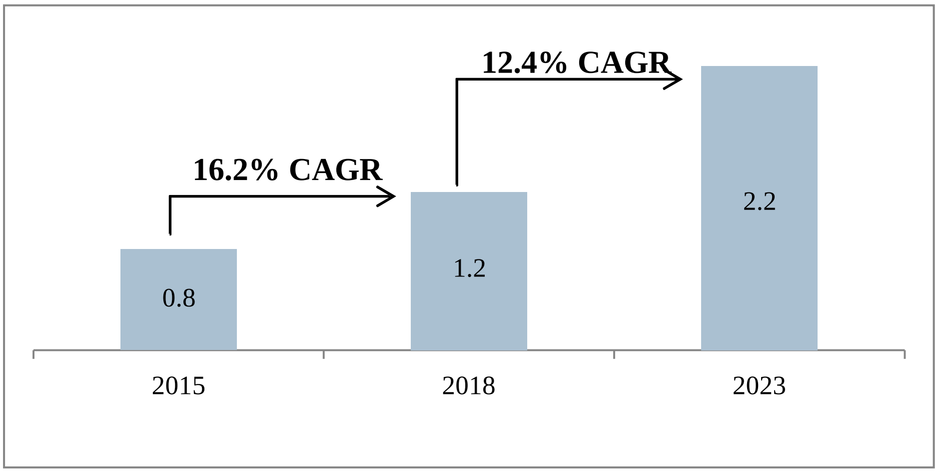
Market forecast and major tailwinds

Conditioning agents, surfactants, emollients, emulsifiers, rheology control agents, UV absorbers, hair fixative polymers and antimicrobials are the most commonly used ingredients in the manufacturing of personal care products. Out of these, conditioning polymers are forecast to be the fastest growing ingredients type in India personal care ingredients market during forecast period, exhibiting a CAGR of 8.26%, in volume terms, owing to their use in various products such as face wash, shampoos, conditioners, creams, lotions, hair gels, etc. Also, emollients market in India is projected to grow at a CAGR of 8.1%, in volume terms, during 2017-2026, as they are used in premium skin care products, demand for which is increasing in metro cities and other urban areas across the country.

Indian Personal Care Market Forecast, Value (USD billion), 2015, 2018 and 2023F



Indian Personal Care Ingredients Market Forecast, Value (USD billion), 2015, 2018 and 2023F



B. Textile Chemical Industry

Global Textile Chemical Industry

Global market size (historic and present)

Textile industry involves manufacturing practices which involves use of varied chemicals to prepare, treat and colour the fabrics. A different type of chemical is required for every procedure. Textile chemical products vary from highly specialized chemicals (biocides, flame retardants, water repellents, and warp sizes, for example) to relatively simple commodity chemicals (such as bleaches) or mixtures thereof (such as emulsified oils and greases, starch, sulfonated oils, waxes, and some surfactants). Textile chemicals are added during fabric processing to impart specific features such as sweat absorbency, antimicrobial properties, wrinkle resistance, stain resistance, desired texture, and finish to the fabrics.

Stages of textile processing

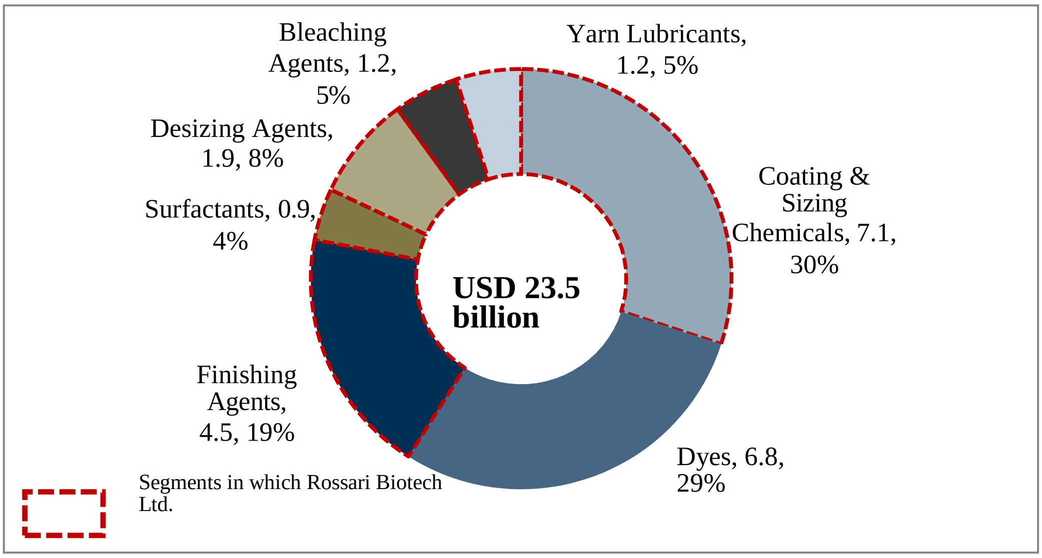
Stages	Process	Product Categories
Spinning and weaving	Spinning: Conversion of Cotton or any other fibre into yarn	Polymers, Softener
Pre-treatment	Textile pre-treatment is the series of cleaning operations. All impurities which causes adverse effect during dyeing and printing is removed in pre-treatment process	Enzymes Wetting & Detergent Sequestering Additives
Dyeing	Chemicals are applied to increase process safety, efficiency and reproducibility for production, so as to achieve the desired optimum dyeing results	Dyes, Acids, Alkali Levelling, Detergent, Fixer
Printing	Pigments and inks are applied to impart the desired colour to textile	Dyes, Binder, Thickener, Fixer Detergent, Loop accelerator
Finishing and coating	Completes the fabric's appearance and gives it the "final touch". Special effects are produced during this process, such as wrinkle-free, easy-care, shrink resistance or a gloss effect (chintz)	Softeners, Silicones, Polymers, Resins

Global market size (historic and present)

Textile Chemicals accounts for 5.4% of total specialty chemicals market. The textile chemicals market was historically sized at ~USD 21 billion in 2015 and was pegged at USD 24 billion in 2018 recording a growth rate of CAGR 3.7% between 2015 and 2018.

Market segmentation (2018) – by product type

Segmentation of Global Textile Chemicals Market by Product Type, Value (USD billion), 2018

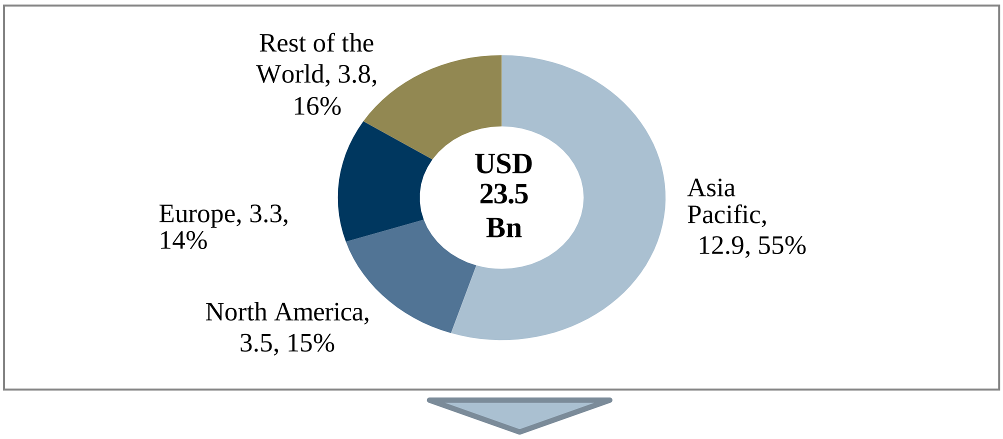


Chemicals used for the purpose of pre-treatment like coatings and sizing chemicals are largely consumed products since these are used for increasing the strength and abrasion resistance of yarns. The risks associated with weaving such as fraying and breaking of yarn during the weaving process is significantly reduced with the use of sizing chemicals. Ingredients that can be offered enhanced abrasion resistance and flexibility to the yarn is expected to gain significant demand over the forecast period. Accounting for 29%, second largest product to be used is Dyes. Textile dyes are however losing sheen due to emerging eco-friendly alternatives such as organic colours being preferred by many manufacturers in the industry, as well as growing concerns of using synthetic dyes. Other products occupying the textile chemicals share were finishing agents at 19%, followed by de-sizing agents at 8%, bleaching agents, yarn lubricants, and surfactants.

Market segmentation (2018) – by geography

North America: The region accounts for 15% of the global demand. Growing demand for apparels in North America is driving the demand of textile chemicals for application during various stages of fabric processing. Huge volume of chemicals is consumed in the United States as finishing agents and as binders and coatings in the nonwoven and carpet industries. However, North America is facing major competition from imported textiles produced with low labour costs and inexpensive infrastructure. The different key players in the region are focusing on new technological developments to fight against cheap imports and also support the growth of the market for textile chemicals in the region. North America and Europe are expected to grow slower than the global average of 3.6% CAGR.

Geographic Segmentation of Textile Chemicals Market, Value (USD Billion), 2018



Europe: Europe is likely to witness sluggish growth in the textile chemicals market in the forecast timeframe. The apparels market is expected to be the most dominant end-user in the European region, which, in turn, will increase the usage of textile chemicals in the region as well. The technological developments in the market are also anticipated to further support this market's growth. The European Union has implemented integrated Pollution Prevention and Control Directive in order to restrict the usage of harmful chemicals that might have a negative effect on the overall growth of the textile chemicals market in Europe.

Asia-Pacific leading textile chemicals demand: Asia-Pacific accounts for more than half the world's consumption of textile chemicals. The lower production costs in Asia Pacific, supported by the latest technologies have led to rapid growth of the region.

The upward industrialization in India and China has given the textile chemical industry a huge momentum. China is the leading consumer and producer of textile chemicals with exports of major products to the developed markets of Japan, North America and Europe. APAC is expected to grow at 5- 6% CAGR over the next 5 years. The increase in disposable incomes of the population has led to a boost in the domestic consumption of apparels especially in menswear and casual wear, carpets, and home furnishings. Governmental regulations in Asia are lenient compared to the other regions which have benefited the overall chemical manufacturing industry. Similarly, India has developed into a massive market for textile products and garments and therefore textile chemicals owing to the domestic production and export of cotton and synthetic fibres.

- **Vietnam:** Textile chemicals are the most widely used specialty chemicals in Vietnam. Vietnam's garment & textile industry is one of the key contributors to the country's economy, accounting for nearly 15% of GDP and 18% of total exports. To date, Vietnam has attracted over 6,000 textile manufacturing companies that employ some 2.5 million people combined; the numbers are set to rise. The Vietnam Textile and Apparel Association expects textile manufacturing to grow about 10% — which would propel the nation into the ranks of the top three exporters of textiles and garments worldwide. With booming garment & textile industry, the demand for textile chemicals in the country is expected to grow at a robust pace over the next ten years. Moreover, rapidly growing industrialization, increasing consumption of high quality textile products and promotion of textile chemicals in factories on account of their several recognized advantages are expected to boost the country's textile industry, subsequently driving the Vietnam textile chemicals market over the span of next ten years. Additionally, reduced barriers in trading and increasing foreign trade agreements are expected to aid the demand for textile chemicals in the country during forecast period. The textile chemicals market in Vietnam is anticipated to grow at a CAGR of over 16% during 2016-2025.

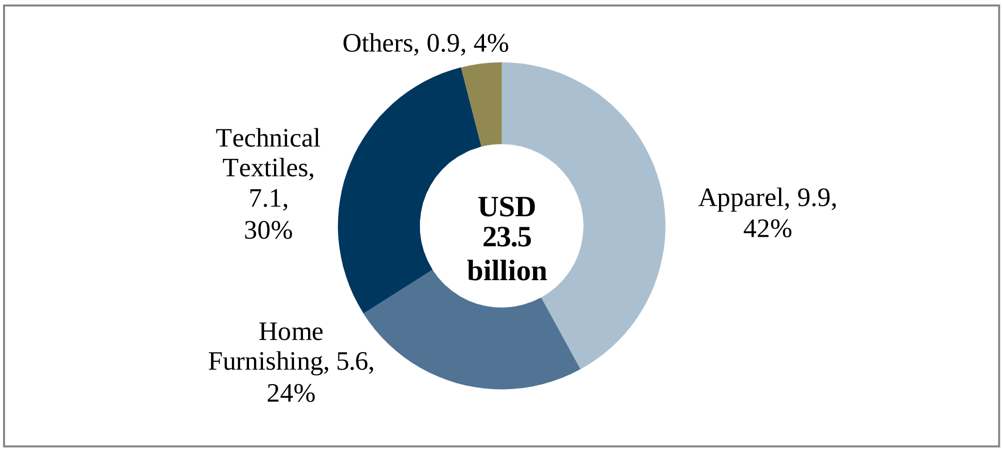
- **Bangladesh:** The country is the second leading textile and apparel exporter worldwide, is witnessing high growth in textile and apparel sector. According to Bangladesh Textile Mills Association, the country has around 450 spinning mills, 1,200 weaving mills and around 5,000 export-oriented dyeing factories. There are several thousand small dyeing factories as well catering for local markets. Moreover, exemption from export duties, favourable governmental policies and availability of labour at lower wages are attracting foreign investors towards the country's textile sector, which in turn is catalyzing the demand for textile chemicals. The country is also exploring various other export markets, which is expected to further boost the demand for textile chemicals in Bangladesh over the forecast period. However the country is not self-sufficed for supply of chemicals. Bangladesh imports textile chemical and the imports has been increasing at a faster rate due to use of local fabrics by the garment exporters. If the garment export increases nearly 14% in a year, the purchase of local fabrics increases nearly 30% and this has subsequent impact on the textile chemical imports in the country. Bangladesh textile chemicals market is forecast to grow from $ 864 million in 2018 to $ 1.38 billion by 2024, exhibiting a CAGR of around 8% during the forecast period.

Markets like Vietnam and Bangladesh give good opportunity to Indian Chemical manufacturers for exports.

Market segmentation (2018) – by application

The apparel segment is expected to be the largest consumer of textile chemicals in 2018. Due to the extensive use of textile chemicals in outerwear and sportswear, this segment holds the largest share. Demand for apparel would be primarily driven by favourable demographic trends, increasing disposable income, and consumer preference for comfortable clothing.

Segmentation of Global Textile Chemicals Market by Application, Value (USD billion), 2018



Technical textiles, the second largest segment, is growing rapidly owing to their usage in a broad range of applications including chemical, manufacturing, and medical is expected to augment the market growth. The technical textile segment has grown significantly in the last few years and is expected to grow at a similar rate for the next few years. Product consumption is expected to shoot up with increasing awareness of superior functionality and application such as automobile, healthcare, construction, and packaging. In 2018, home furnishing application has accounted for the third largest application. The boost of construction market across the globe primarily in countries, such as China, and India is driving the demand for home furnishing applications.

Growth Drivers

<u>Home Furnishing Textiles Creating a Sustainable Marketplace</u>: The booming economy has led to an increase in disposable personal income in most parts of the world that has enabled people to splurge on expensive home furnishing textiles and floor coverings such as carpets. Subsequently, there is a perceptible growth in production of these textile products which is significantly supporting the textile chemicals market.

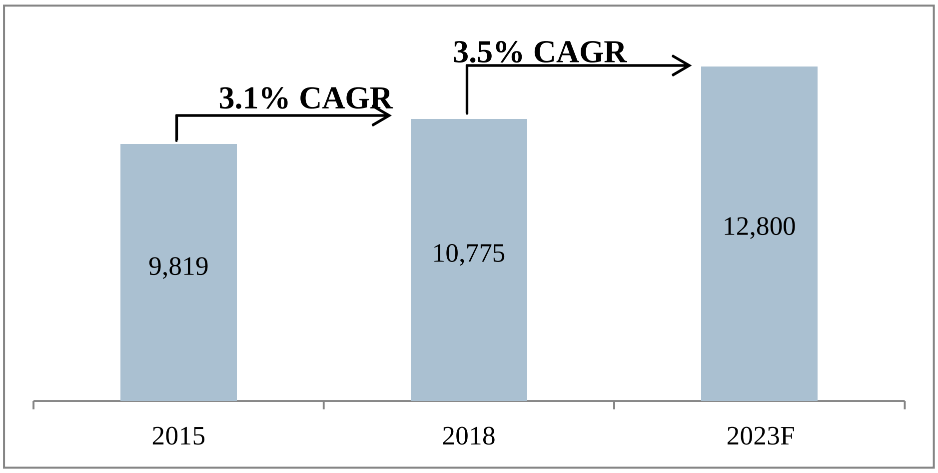
<u>The Cotton Production across the Globe</u>: According to the findings in the Cotton Outlook white paper compiled by the United States Department of Agriculture (USDA), the world's cotton production was estimated to rise by 6.9% in the year 2019-20. Furthermore, the organization projected that global cotton consumption will exceed production in the future. Incremented consumption is partly attributed to the utilization of cotton in the textile industry to manufacture apparels and home furnishing products that will lead to an increased demand for textile chemicals.

Market forecast and major tailwinds

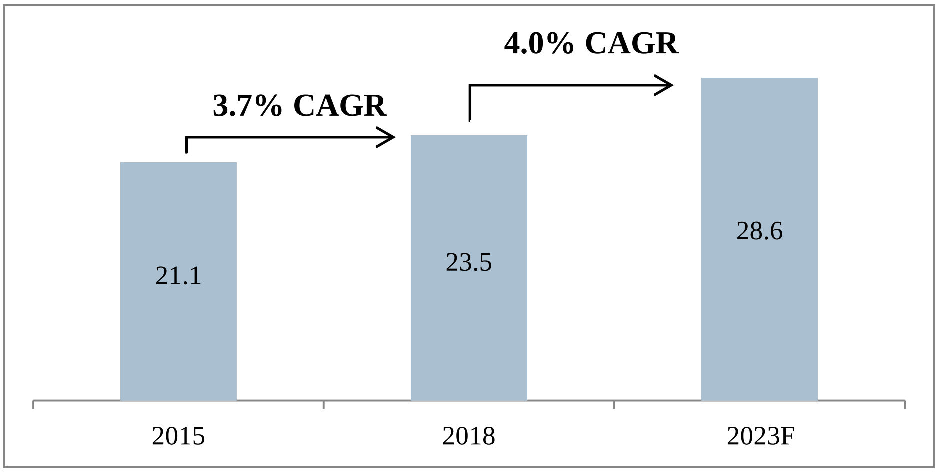
The demand for textile chemicals have risen owning to the huge production of not just apparels but also rising demand for home furnishings, floor coverings, and technical textiles globally. With the development of new and innovative textile and fabrics, the textile chemical manufacturers globally are constantly creating products for the future fabrics which are specially used for medical, construction, and functional interior textiles. The prospects of bio-based chemicals is on the rise, with the textile industry joining hands to produce and process sustainable and environment friendly products.

The consumption as well as production of clothing and other textile products is growing at a CAGR of nearly 3.5%. The pattern of consumption of apparel and textiles is growing largely in developing countries like India, China, Taiwan, Thailand, Indonesia, and in the Republic of Korea owing to which APAC is expected to register the highest growth. The growing demand for textile and apparels is driving in return the growth of textile chemicals in the industry.

Global Textile Chemicals Market Forecast, Volume (Kilo Ton), 2015, 2018 and 2023F



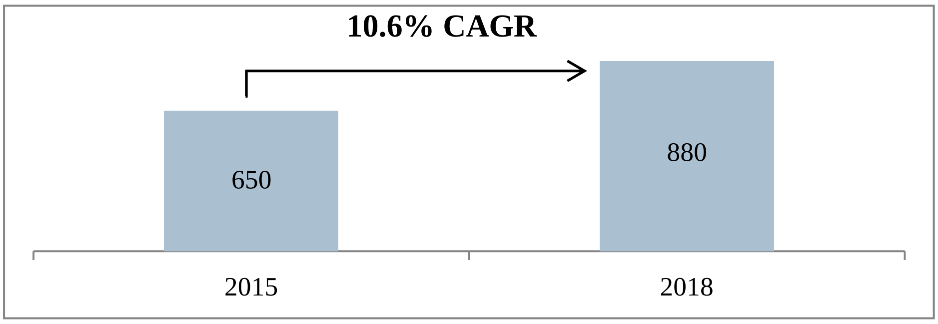
Global Textile Chemicals Market Forecast, Value (USD billion), 2015, 2018 and 2023F



Indian Textile Chemical Market

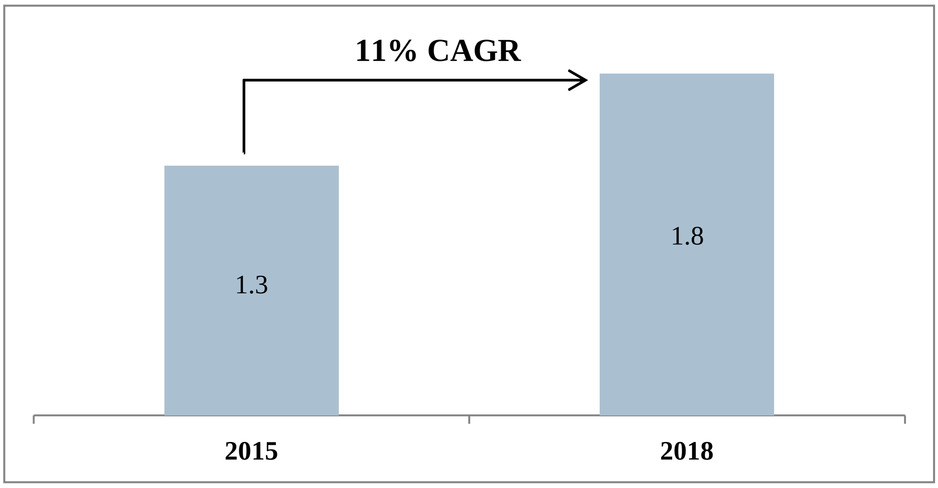
Indian market size (historic and present)

Indian Textile Chemicals Market, Volume (Kilo Ton), 2015 and 2018



India is the second largest exporter of textiles globally. Rising global as well as domestic demand for high quality textile products, growing textile production, favourable government policies and increasing garments sourcing from India by international brands are boosting demand for textile chemicals in the country. The future growth opportunities in the textile specialty chemicals industry will be primarily driven by diversified and value-added specialty chemicals which provide sustainable eco-friendly solutions.

Indian Textile Chemicals Market, Value (USD billion), 2015 and 2018

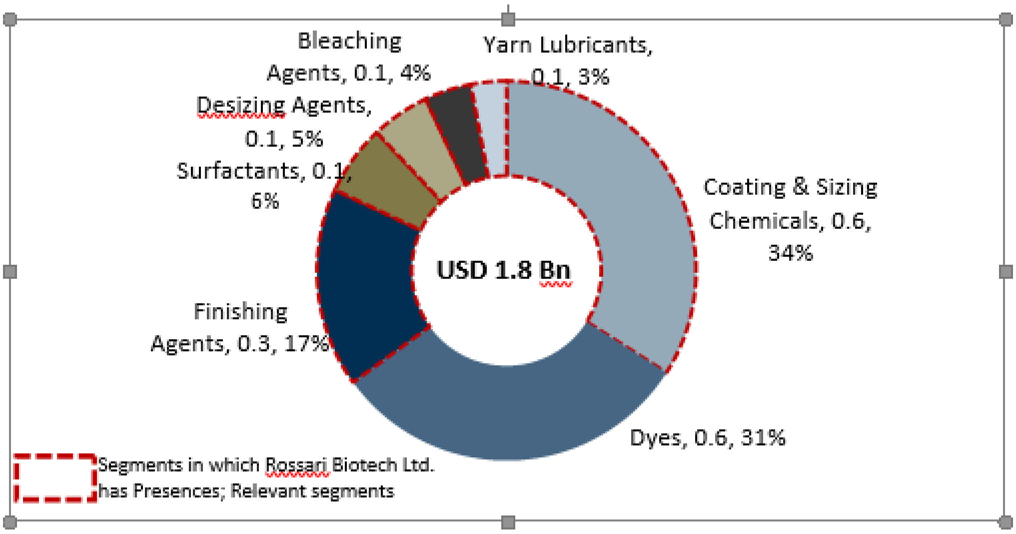


Market segmentation (2018) – by product type

Textile chemicals, used for the processing stage of textiles, and are generally classified as auxiliaries and colorants. *Auxiliaries Category:* Chemicals which are used throughout the textile manufacturing process to provide specific characteristics to the fabric – Coating & Sizing Chemicals, Desizing Agents, Surfactants, Yarn Lubricants, Finishing Agents.

Colorants Category: Chemicals which are used to impart colour to the textile product – Dyes and Bleaching Agents.

Segmentation of Indian Textile Chemicals Market by Product Type, Value (USD billion), 2018



Market segmentation (2018) – by geography

In China, several dye manufacturers were forced to shut down their plants due to stringent environmental regulations, which have enabled Indian players to penetrate the international market. Various government initiatives are being taken to encourage the country's textile production. One such initiative by the Maharashtra state government resulted in the establishment of nine textile parks in order to aid the domestic manufacturing market. North and West Zone together account for 75% of the India Textile Chemicals market.

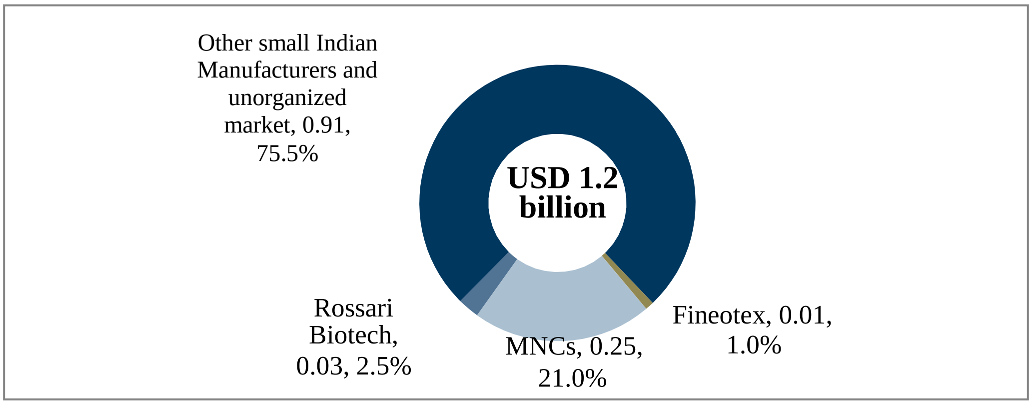
Competition Analysis (2018)

The market for textile chemicals in India is highly fragmented and comprises over 500 large and small players. In India, large majority of textiles manufactured and sold is unorganized, catering to price sensitive customers. This large unbranded market is a target for the unorganised textile chemical manufacturers. Apart from manufacturers there are many blenders and resellers present in the market, with the total count of these companies exceeding ~800. Fragmentation of the market can also be attributed, in part, to the weak enforcement of environmental norms for small players, as well as concessions provided by the Government of India.

Large MNCs	Large Indian Players	Smaller Indian Companies
• Large MNCs have a significant presence in the India market • These companies usually have a larger product portfolio as compared to their Indian counterparts • **List of Companies** ➢ Archroma ➢ CHT ➢ Rudolf ➢ Croda international ➢ Huntsman Corporation	• Large Indian players are competing with large MNCs across various products • These companies typically have in-depth market understanding, strong distribution network and established customer base • **List of Companies** ➢ Rossari Biotech Limited ➢ Fineotex Chemical ➢ Resil Chemicals ➢ Sarex Chemicals	• These companies are usually characterized by restricted geographical presence and a limited product portfolio • These companies usually position themselves as low cost alternatives to MNCs and larger Indian players • **List of Companies** ➢ Dai-ichi Karkaria ➢ Britacel Silicones ➢ Indokem Limited

It is predicted that more manufacturing activities will shift towards Vietnam, India and other low cost South Asian countries in near future due to the on-going US-China trade war. Also, the increasing preference for quality products as well as a growing market penetration of technical textiles has led to a shift from unorganized to organized sector in India**.** Higher growth is expected in the organized textile speciality chemicals sector than in the unorganized one.

Segmentation of Indian Textile Chemicals Market by Companies, Value (USD billion), 2018

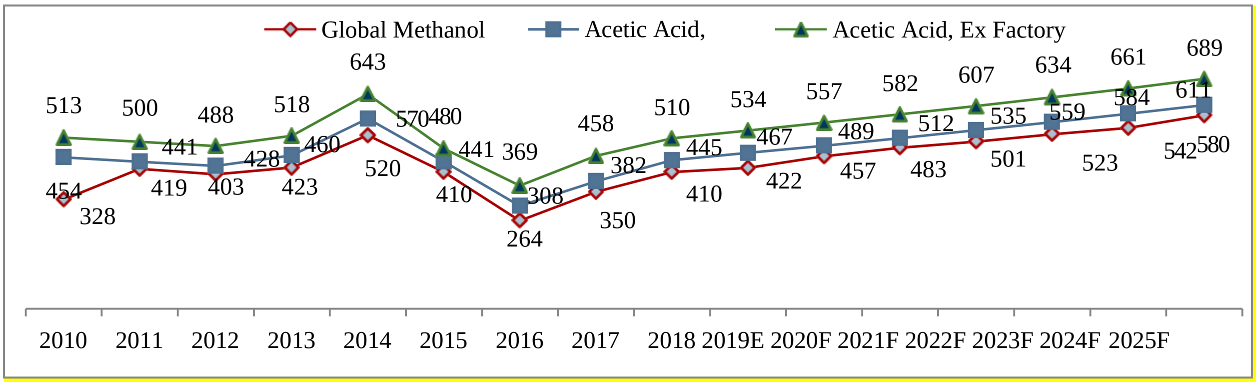


Large Indian Manufacturers (Headquarters)	Financials	Product Portfolio
Fineotex Chemical (Mumbai-Maharashtra)	Revenue (FY 2018-19): ₹ 112.6 Cr. (USD 16.6 Mn) EBITDA: ₹ 25.7 Cr. (USD 3.8 Mn) EBITDA Margin: 22.8% Textile Chemicals: ~97% of total Revenue	• One of India's largest and most progressive Specialty Textile Chemical manufacturers • The company manufactures over 400specialty chemicals and enzymes to Textile, Garment, Construction, Leather, Water Treatment, Agrochemicals, Adhesives and others industries.
Resil Chemicals Private Limited	Revenue (FY 2018-19): ₹ 213.8 (USD 31.4 Mn) EBITDA: ₹ 12.0 Cr. (USD 1.8 Mn) EBITDA Margin: 5.6%	• The company is consolidating their position in the textile industry to become one of India's comprehensive textiles solution providers • Company has four manufacturing facilities and the company has announced plans to set up an additional plant at an investment of ₹35 Crore which will be operational by 2020
Sarex Chemicals (Mumbai-Maharashtra	Revenue (FY 2017-18): ₹ 175.8 Cr. (USD 26 Mn)	• Product offering of Textile Chemicals, Fine Chemicals and API Intermediates. • Textile Chemicals comprise of technical textile products like water and stain repellents, Antimicrobial agents, Finishing agents, Antistatic agents, Coating agents etc.
Part of Saraf Chemicals Private Limited	EBITDA: ₹ 14.3 Cr. (USD 2 Mn) EBITDA Margin: 8.1% Textile Chemicals: ~55% of total Revenue (FY2017-18 Gross Revenue: ₹ 96.6 Cr.)	• Company also offers colour blooming agents for all types of fabric, flame retardant for back coating applications, Formaldehyde free dye fixing agents etc.

Raw material assessment

Currently, the raw materials used for producing these chemicals include Acetic acid, Acrylic Acid, etc. Acetic acid price are expected to closely mirror methanol price trends. Acetic Acid Ex-factory prices are higher than import (CIF) prices owing to the high cost of production in India.

Acetic Acid CIF Price (USD/MT), Historic and Future Outlook



Product innovation trends

Textile industry consumes a large amount of water and significantly contributes towards water pollution, air pollution as well as solid-waste pollution. With rising environmental concerns, in textile chemicals there has been a shift of focus by major manufacturing companies towards green (bio-based) chemicals, which are eco-friendly in nature. Green chemicals, made from animal and plant fats/oils, are eco-friendly and cost-efficient in comparison to their conventional counterparts. Due to availability of low-cost feedstock, companies involved in manufacturing bio-based chemicals are cost competitive.

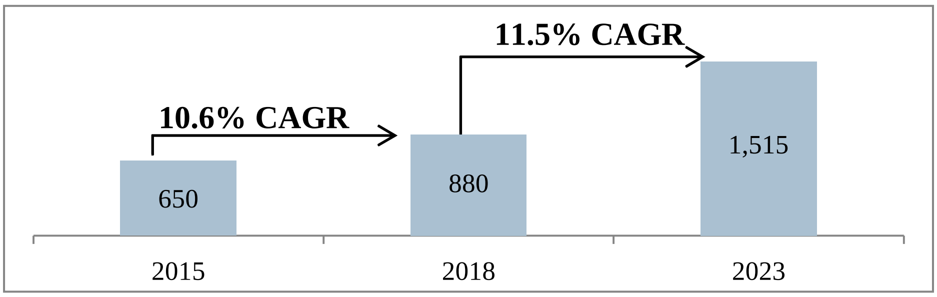
Market forecast and growth drivers

The Indian textiles industry is expected to reach USD 250 billion by 2019. Indian domestic apparel market size is expected to grow from about USD 70 billion in 2018 to USD 118 billion in 2023, growing at a CAGR of 11%. Apparel segment's growth is supported by a robust growth in the organized apparel segment and entry of players such as H&M, Zara and Marks & Spencer.

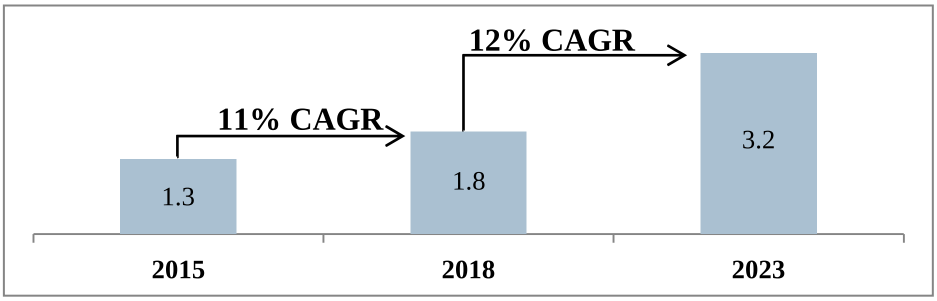
Key initiatives taken by Government of India for growth of Textile sector are:

- The Government of India has taken several measures including Amended Technology Up- gradation Fund Scheme (A-TUFS), scheme is estimated to create employment for 35 lakh people and enable investments worth ₹ 95,000 Crore (USD 14.17 billion) by 2022.
- Government of India has approved Integrated Wool Development Programme (IWDP) to provide support to the wool sector, from sheep rearer to end consumer which aims to enhance the quality and increase the production during 2017-18 and 2019-20.
- Government of India has approved The Cabinet Committee on Economic Affairs (CCEA), a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)' with an outlay of ₹ 1,300 Crore (USD 202.9 million) from 2017-18 to 2019-20.

Indian Textile Chemicals Market Forecast, Volume (Kilo Ton), 2015, 2018 and 2023F



Indian Textile Chemicals Market Forecast, Value (USD billion), 2015, 2018 and 2023F



Customer assessment

Customer List for Textile Chemicals in India

End Product	Large Customers	Mid-Small Customers
Textiles ***(Yarn, Fabric, Garments, Home Textiles, etc.)***	Vardhaman Textiles	Winsome Textile Industries Limited
	Arvind Limited	TC Terrytex Limited
	Vimal Industries	Malwa Industries Limited
	Reliance Textiles	Sutlej Textiles and Industries Limited
	Grasim Industries Limited	Nahar Textiles Private Limited
	Trident Group	GHCL Limited
	Raymond Limited	Banswara Syntex Limited
	Welspun India Limited	Morarjee Textiles Limited
	Bombay Dyeing	

C. Animal Health and Nutrition Industry

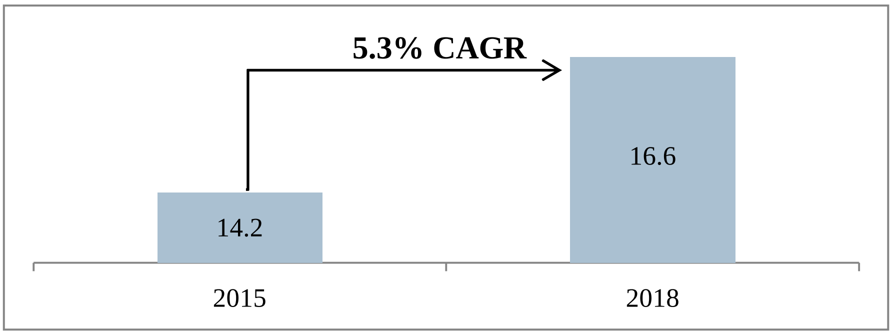
Global Animal Health and Nutrition

Global market size (historic and present)

Animal or pet food additives are defined as nutritional ingredients that are supplemented to improve the quality and digestibility of the feed and the performance of animals. The primary additives considered in this report include amino acids, vitamins/carotenoids, enzymes, organic acids, organic trace minerals, probiotics, prebiotics, and omega-3 fatty acids. Growth in the demand for high-quality meat products and protein-rich diets are the primary factors driving the demand for animal feed additives. Increased awareness regarding the benefits of including functional ingredients in pet food and growth in the demand for highly premium pet food products are the key drivers for additives in the pet food market.

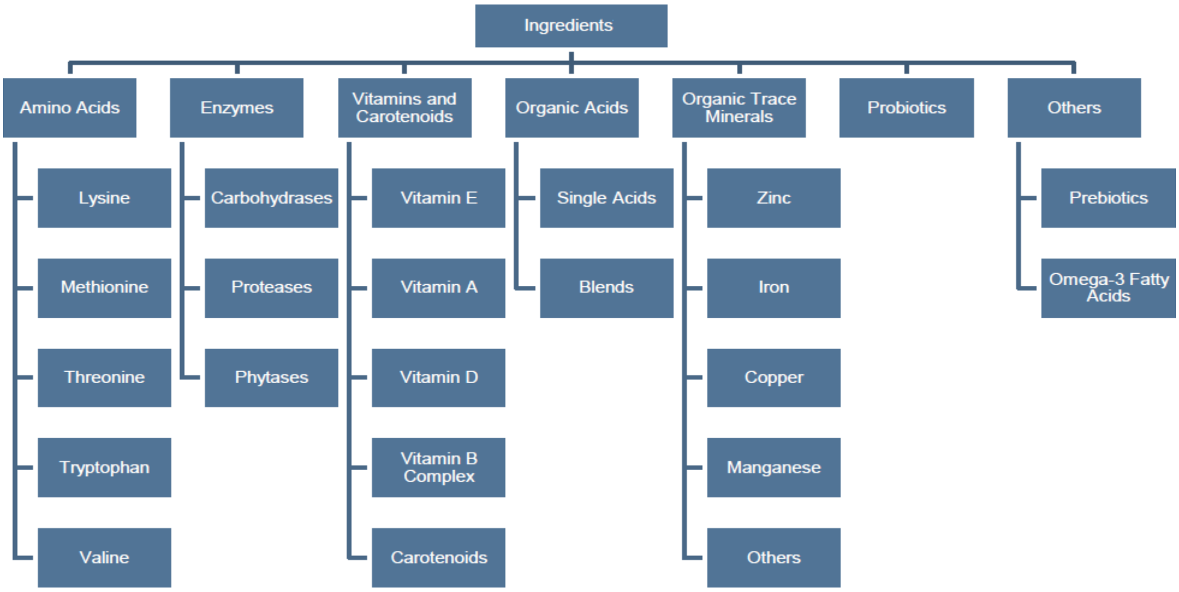
The total market for animal and pet nutrition ingredients has grown to USD 16.6 billion in 2018 from USD 14.2 billion in 2015, recording a compound annual growth rate (CAGR) of 5.3% during the period.

Global Animal and Pet Nutrition Ingredients Market, Value (USD billion), 2015 and 2018



Market segmentation (2018) – by product type

Segmentation of Global Animal and Pet Nutrition Ingredients Market



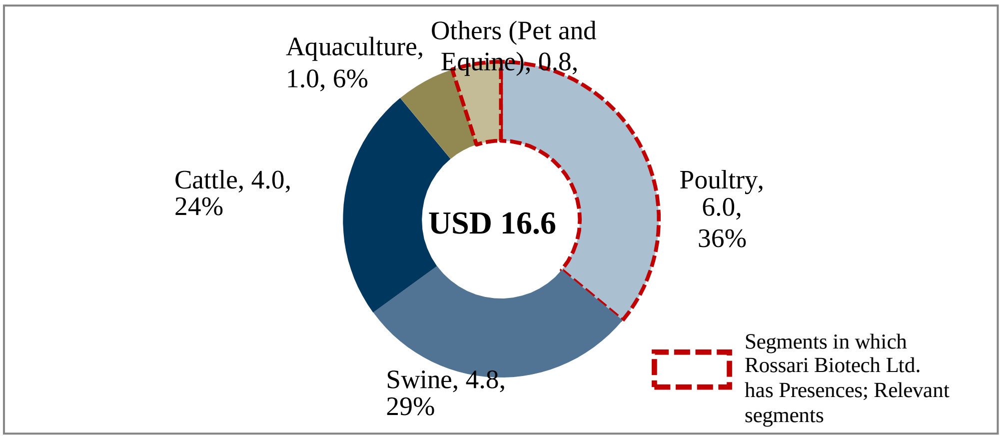
Animal and Pet Nutrition Ingredients	Description
Amino Acids	• Amino acids are the building blocks of the protein structure. The chemical structure of amino acids comprises an amine group and a carboxyl functional group, in addition to a side chain specific to each amino acid. Amino acids can exist in both D- and L-forms. L-amino acids are required for most of the commercial applications. • The primary amino acids included in the scope of this research are: lysine, methionine, threonine, tryptophan, and valine.
Enzymes	• Enzymes are macromolecules composed of polymers of amino acids connected by amide bonds. The primary enzymes used in animal feed are protease, phytase, and carbohydrase (including amylase, xylanase, cellulase, and beta-glucanase).
Vitamins and Carotenoids	• Vitamins are low-molecular-weight organic compounds required in small quantities for growth and development. They are broadly segmented into fat-soluble and water-soluble categories. Fat-soluble vitamins considered in the scope of this research include Vitamins A, D, and E; and water-soluble vitamins include Vitamin B- complex and choline chloride. • Carotenoids are the plant pigments responsible for imparting color to leaves, flowers, and fruits. There are more than 600 known carotenoids that fall into either xanthophyll or carotene category. The carotenoids considered relevant to the scope of this research include β-carotene, astaxanthin, and others (lycopene).
Organic Acids	• Organic acids are generally used as feed acidifiers. The primary organic acids included in the scope of this research are: formic acid, propionic acid, lactic acid, and others (benzoic acid, citric acid, fumaric acid,

Animal and Pet Nutrition Ingredients	Description
	butyric acid, and malic acid).
Organic Trace Minerals	• Trace minerals provide the essential nutrients animals need for metabolic functions such as growth and development, immunity, and reproduction. Broadly, trace minerals are categorized as inorganic and organic; and include zinc, copper, iron, manganese, and others (including selenium and cobalt). The scope of this research covers organic trace minerals including zinc, iron, copper, manganese, and others (selenium, chromium, and cobalt) being used in the animal feed industry.
Probiotics	• Probiotics are live microbial feed supplements that beneficially affect the host by improving intestinal microbial balance. Different bacterial and yeast strains are primarily being used as feed additive.
Others	• The 'Others' category includes the omega-3 fatty acids and prebiotics being used as an additive in animal feed and pet food. • Omega fatty acids are polyunsaturated fatty acids that are essential for animal feed and include omega-3 fatty acids such as EPA and DHA. • Prebiotics are defined as non-digestible fibres that, when fermented, stimulate the growth of favourable bacterial colonies in the gut of the host. The types of prebiotics included in the scope of this research are: inulin and other oligosaccharides.

Market segmentation (2018) – by end use industry

The poultry, swine and cattle sectors play a key role in regulating the overall demand for feed additives. Aquaculture is a relatively small market. However, the demand for fish feed ingredients is expected to rise until 2023 owing to the changing food preferences and aquaculture growth globally.

Segmentation of Global Animal & Pet Nutrition Ingredients Market by End Use Industry, Value (USD billion), 2018



Market segmentation (2018) – by key players

Vertical integration in the value chain is expected to increase market consolidation, with companies, such as Cargill, which are trying to secure a competitive edge by offering one-stop solutions to consumers.

Growth Drivers and Market Forecast

<u>Growing per Capita Consumption of Meat Products with High Demand for Animal Protein will drive the Demand for Feed Additives, Especially Amino Acids</u>: According to the United Nations Food and Agriculture Organization (FAO), the per capita meat consumption in developing economies is expected to increase from 26.8 kilograms in 2017 to 28 kilograms by 2025. Similarly, the per capita meat consumption in developed nations is expected to rise from 67.2 kg in 2017 to 69.2 kg by 2025. This growth in demand is expected to primarily stem from population and income growth especially in Asia- Pacific, Latin American, and Middle Eastern countries. Such growth in the demand for animal protein is expected to drive the demand for feed additives, such as amino acids. This aids in improving the feed conversion ratio and, in turn, the protein concentration. To meet the growing demand for high-quality meat and other animal products, there is increased pressure on farmers to improve quality, productivity and sustainability. Thus, to meet the quality and productivity directives, the practice of supplementing diets with additives such as vitamins, amino acids, organic acids, enzymes, pigments, and probiotics is expected to intensify.

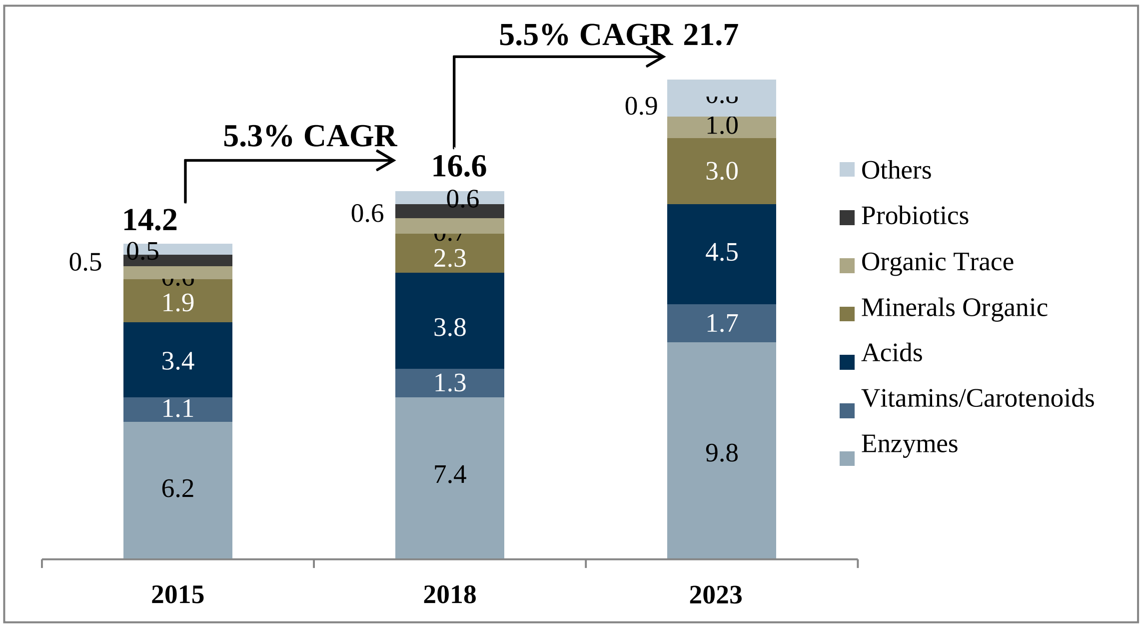
There is also a growing shift toward landless commercial production systems, which further drives the need for supplementing diets with additives that can promote healthy and faster growth and improve the feed conversion ratio.

Strong Growth in the Livestock Feed Industry in developing regions with emerging demand for Aquaculture feed will fuel the demand for Feed Ingredients: According to the 2018 Alltech Global Feed Survey, 1.07 billion tons of animal feed was produced in 2017, registering an average annual growth of 2.6% in 2017 compared to 2016. With respect to species-specific growth, broiler and dairy feed registered an average annual growth rate of 3%, whereas pig feed showed an average annual growth of 6% in 2017 (with China being the largest producer of pig feed). Such strong growth in the industry is expected to continue, driven by the growing demand for meat, milk, and eggs, especially in the developing regions. Additionally, there is an emerging demand for high-quality compound feed from the aquaculture sector. Driven by rising awareness on the health benefits of fish and fish-derived products, global fish production has picked up pace in the last couple of years. According to GLOBEFISH estimates, the aquaculture sector is projected to grow at the rate of 2.2% from 2017 to 2026. According to FAO estimates, more than 87% of this growth is expected to originate from Asian countries, with China dominating production. Other than China, regions such as Latin America are expected to record stable growth in the aquaculture sector until 2030; thus, driving the demand for feed additives. The impact of this driver is expected to reduce in the long run, as the demand for meat products stagnates, especially in developed regions, with trends such as veganism pervading the market. Countries, such as China, are also expected to witness reduced meat demand in future (the Chinese government recommends the citizens to cut down on meat consumption as part of the 2016 dietary guidelines).

Regulatory Ban on the Use of Antibiotics as Growth Promoters in Animal Feed is expected to drive the Demand for Antibiotic Alternatives: The recent ban by the United States Food and Drug Administration (FDA) on use of antibiotics as growth promoters and imposition of Veterinary Feed Directive (VFD) have disincentivized both manufacturers and consumers using antibiotics for growth promotion. Regulatory stringency in other regions—such as Indonesia and Vietnam that have banned the use of antibiotic growth promoters (AGPs) in 2018 and Europe where these are already been banned—along with growing awareness on the residual effect of these antibiotics in animal products are some of the key drivers of the demand for AGP alternatives. Use of organic acids as AGP alternatives has gained considerable traction. Organic acids have antimicrobial properties that not only aid in feed preservation but can also be effective in reducing bacterial content and improving nutrient digestibility. These thus help in maintaining animal health and increase their performance. Other than organic acids, ingredients such as probiotics, prebiotics, phytochemicals, and trace minerals can be potentially applied in animal feed as an alternative to AGPs. A comprehensive pool of scientific evidence and continuous commercialization efforts by companies along with growing awareness among consumers on the need for antibiotic alternatives are expected to drive the demand for these ingredients. The adjacent table highlights the efficacy of different antibiotic alternatives in different animal species.

Rising Demand for Premium Pet Food will drive the Demand for Highly Specialized Ingredients: Humanization of the industry has made pet owners very specific in their choices with respect to nutritional contents and quality. Thus, the demand for customized pet formulations directed toward specific age, breed, and size is expected to increase. This in turn is expected to drive the demand for highly specific and functionally targeted ingredients. For instance, adult dogs are prone to kidney problems, and diets excess in dietary phosphorus, protein, and salt can potentially exacerbate the progression of kidney damage. Thus, diets are formulated such that concentration of these ingredients is kept under check. In general, diets for protecting kidney damage are rich in amino acids and vitamins with a high concentration of trace minerals. Similarly, breeds such as Labrador Retrievers, Golden Retrievers, Cairn Terriers, and Cocker Spaniels are prone to obesity. Thus, the diets formulated for these breeds are generally required to be rich in protein. These are highly concentrated with amino acids, with taurine being one of the most crucial ingredients.

Global Animal and Pet Nutrition Ingredients Market, Value (USD billion), 2015, 2018 and 2023F



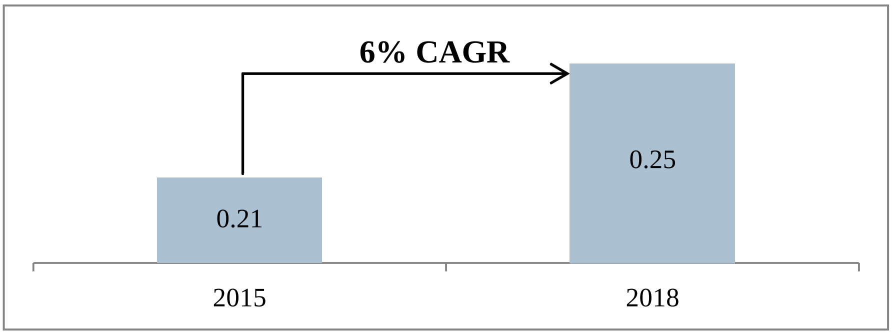
During the 5 year forecast period, Probiotics is expected to be the fastest growing segment (7.2% CAGR) followed by Enzymes and Amino Acids at 6.2% and 6% CAGR respectively.

Indian Animal Health and Nutrition

Indian market size (historic & present)

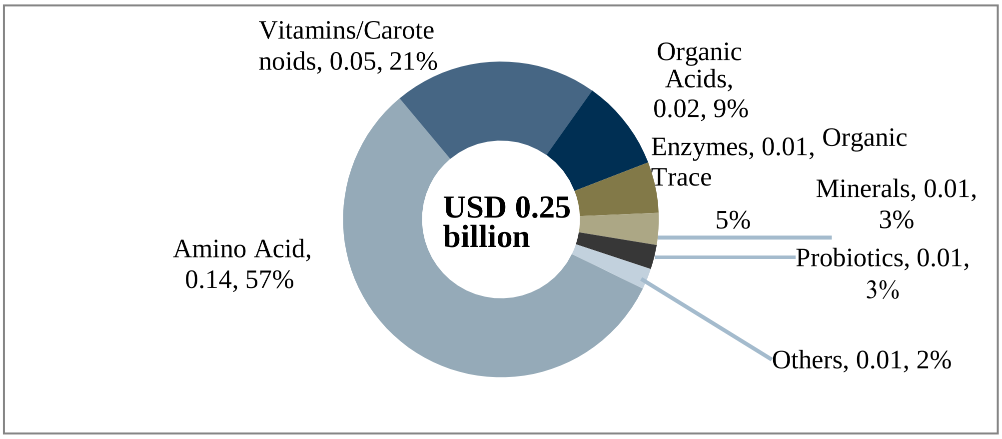
Indian Animal and Pet Nutrition Ingredients market is one of the world's fastest growing feed additives market. Rising health-consciousness among consumers and a growing demand for animal protein are driving the demand for high-quality meat products. Increased awareness among livestock producers and adoption of intensive animal farming practices to meet the growing demand are expected to propel the demand for feed additives. The India market for animal and pet nutrition ingredients in 2018 was estimated at about USD 0.25 billion.

Indian Animal and Pet Nutrition Ingredients Market, Value (USD billion), 2015 and 2018



Market segmentation (2018) – by product type

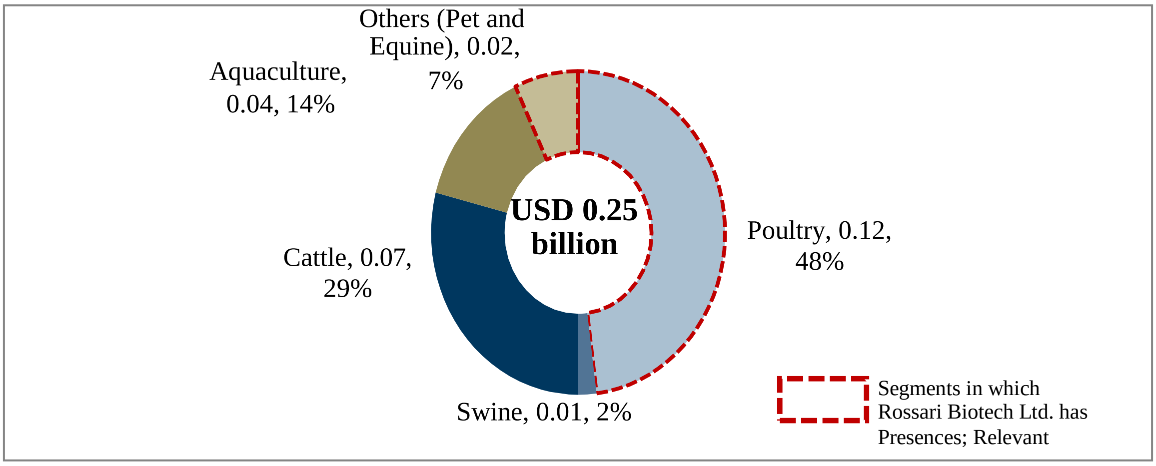
Amino acids accounted for a share of 56.7% in 2018 in the India animal and pet nutritional ingredients market, followed by vitamins/carotenoids. A growing requirement for animal protein and rising focus on the quality and appearance of animal products are the key factors driving the demand for amino acids and vitamins/carotenoids in the region. The enzymes and organic acid segments are expected to record a CAGR of 6.6% and 6.5% respectively from 2018 to 2023. This growth is primarily attributed to the growing awareness regarding the benefits of adding enzymes to the feed and the growing demand for antibiotic-free meat. Moreover, the demand for probiotics and prebiotics in India is expected to surge, driven by rising awareness among consumers.
Segmentation of Indian Animal & Pet Nutrition Ingredients Market by Product Type, 2018



Market segmentation (2018) – by end use industry

Poultry segment dominates in terms of the demand for feed additives in the region, with a market share of 48% in 2018. The sector is expected to record a CAGR of 6.5% until 2023. As per the USDA's recent estimates, India ranks first in terms of cattle inventory. However, due to the unorganized nature of cattle farming, current usage of feed additives is lesser compared to poultry. The demand for aquaculture ingredients is expected to witness staggering growth during the forecast period. However, growth in the pet industry is expected to remain slow.

Exhibit 68: Segmentation of Indian Animal & Pet Nutrition Ingredients Market by End Use Industry, Value (USD billion), 2018



Competition analysis (2018)

Cargill India Private Limited: Cargill deals in feed ingredients, feed formulations, management solutions, risk management services, compound feed, premixes, feed additives and customized solutions. It has two divisions- Cargill Feed and Nutrition and Cargill Premix and Nutrition; and markets a range of compound feed and premix products under several brands including Cargill, Purina, Provimi and Citura.

Zydus Animal Health: Zydus AH, a division of Cadila Healthcare Limited, is a revered name in the Indian Animal Health Industry. It has a strong presence in all major therapeutic segments. The Company is one of the leading animal healthcare players in India having a portfolio of drugs, vaccines and feed supplements for livestock, poultry and companion animals. In 2016 Zydus AH acquired select brands and the Haridwar manufacturing unit of Zoetis, which was spun off Pfizer in 2013. As a result of the acquisition Zydus would gain access to a wide range of nutrition as well as therapeutic products.

Other Indian and MNCs operating in this space include the following:
Bayer Animal Health

Boehringer Ingelheim Animal Health

- Ceva Sante Animale
- Elanco
- Merial
- Virbac

Market forecast and growth drivers

Poultry: The annual per capita consumption of broiler meat and eggs remains one of the lowest in the world and is significantly lower than many emerging and developed markets. As a result of the low penetration levels and continuously increasing income levels, the per capita consumption of both broiler meat and eggs is expected to increase continuously during the next five years. Consumption of Indian Animal and Pet Nutrition Ingredients in Poultry is expected to grow at 6.5% CAGR over the forecast period of next five years.

Aquaculture: India is the second largest fish producer in the world with a total production of 13.7 million metric tonnes in 2018-19 of which 65 per cent was from inland sector. Almost 50 per cent of inland fish production is from culture fisheries, which constitutes 6.5 per cent of global fish production. The sector has been showing a steady growth in the total gross value added and accounts for 5.23 per cent share of agricultural GDP. Foreseeing the vast resource potential and possibilities in the fisheries sector, a separate Department of Fisheries was created in February 2019. The Government has merged all the schemes of fisheries Sector into an umbrella scheme of 'Blue Revolution: Integrated Development and Management of Fisheries' focusing on increasing fish production and productivity from aquaculture and fisheries resources, both inland and marine. Consumption of Indian Animal and Pet Nutrition Ingredients in Aquaculture is expected to grow at 7% CAGR over the next five years.

Customer assessment

Customer List for Animal & Pet Nutrition Ingredients in India

End Product	Customers
Animal Feed (Poultry, Cattle, Aquaculture, etc.)	**Godrej Agrovet Limited:** The company is one of the largest organised animal feed manufacturers in India. It offers cattle, poultry, fish and speciality feed categories in its product portfolio
	Uttara Foods & Feeds Private Limited (Venkateshwara Hatcheries Group): Poultry feed is the main line of business for the company, accounting for ~85% of the company's total revenue. Presently, the company has seven feed manufacturing plants in the country which have been located strategically in order to cater to poultry farmers located across the country
	Suguna Foods Private Limited: Suguna is one of the largest integrated poultry companies in India with ultra-modern infrastructure and equipped labs which ensure the best raw materials are utilized to produce quality end products. The company has manufactures different variants of high quality poultry and cattle feed.
	Avanti Feeds Limited: Leading manufacturer of prawn & fish feeds and shrimp processor and exporter from India. The company has established a JV with the world's largest seafood processors and leading manufacturer of prawn and fish feed in Thailand, Thai Union Frozen Products PCL, with integrated facilities from hatchery to shrimp & fish processing & export.
	CPF India Private Limited: CPF's core business is divided into 2 main units-Livestock & Aquaculture business which is fully integrated operations from sourcing of raw materials for animal feed production, manufacturing and distributing animal feed, breeding of animals, animal farming, processing meat, to manufacturing further processed food products, mainly chicken, duck, swine, shrimp and fish.

End Product	Customers
	Venky's: Venky's (India) Ltd a part of the VH Group is an integrated poultry group in Asia. The company's major business segment is poultry and poultry products that include production of SPF eggs chicken and eggs processing broiler and layer breeding animal health products Poultry feed & equipment soya bean extract and many more. The company has its growing and other manufacturing facilities across India and sells primarily in India.
	Jubilant Life Sciences: It is a leading provider of nutritional solutions for Poultry, Dairy, Swine, Aqua farming & pet food industry. In feed vitamins, Jubilant has a dominant global standing being the 2nd largest producer of Vitamin B3 (Niacinamide and Niacin). Jubilant is also India's largest producer of Vitamin B4 (Choline Chloride). In feed specialties and premixes, Jubilant offers a range of performance enhancement and disease prevention products for integrators, feed millers, and commercial farmers. The manufacturing facilities of Jubilant meet global standards and are certified for major regulatory certifications such as KOSHER, Halal, FAMI- QS and cGMP regulations.
	KSE Limited: KSE (large supplier of Cattle feed in Kerala) manufactures seven types of cattle feed; three in mash and four in pellet form. The company markets these cattle feed under the brand name of 'KS'.
	Indian Broilers Group (IB Group): Produces pellet feeds for poultry and extruded feed for fisheries under pre-starter, starter & finisher categories.
	Kapila Krishi Udyog Limited: It is one of the leading cattle feed manufacturer in India offering a complete package of nutritious, hygienic and healthy feed for every breed of cattle

Global and Indian Pet Food and Pet Care

Global Pet Food Market

The global pet food market was worth US$ 98.3 Billion in 2018, growing at a CAGR of 5.3% during 2015-2018. The market is further projected to reach a value of US$ 128.4 Billion by 2024, growing at a CAGR of 4.5% during 2019-2024.

Over the years, the growing number of pet-owners has resulted in an extensive demand for pet food. Research and studies conducted by the manufacturers have also increased their knowledge of pet nutrition. In-line with this, they are now offering products which ensure palatability and meet the nutritional requirements of pets. Moreover, several pet food associations and federations have introduced strict legislation for the manufacturers to produce safe and high-quality pet food.

Growth Drivers

The strong base of supermarkets, hypermarkets, pet-specialty stores, vet clinics, convenience stores, and other retail chains in developed regions such as North America is enabling the easy availability of fresh pet food and regular pet food. The growth of e-commerce in pet food packaging is a key trend gaining traction in the market. Online retail sales of pet food products have spurred considerably in recent years owing to the millennial demographic becoming the largest segment of pet owners.

Pet humanization is one of the primary growth factors for the wet pet food market. Several consumers treat their pets like a family member and are willing to spend a little extra amount on good-quality food, health, and hygiene needs to fulfil their physical and emotional needs. The affection towards the pets influences the amount of expenditure towards fulfilling the needs of the pets.

There is a growing prominence of organic pet food and this market is therefore expected to grow at strong pace, providing ample opportunities for market participants. Pet owners increasingly are humanizing their pets, which creates a constant demand for nutrition-based premium pet food. Pet owners in developed countries, particularly in the US are increasingly becoming aware of the ingredients in pet foods that improve the health of their pets. Certain pet owners prefer customized and human- grade fresh pet foods for their pets.

The market's growth will also be influenced by the introduction of savoury ingredients in pet foods.

Product innovations

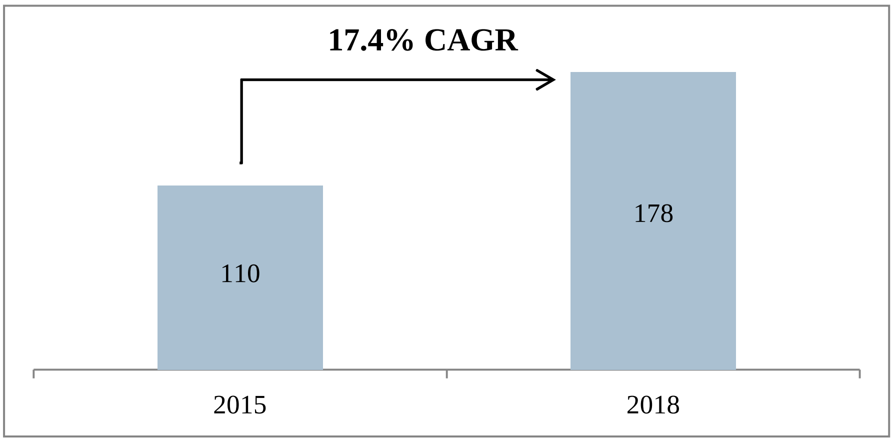
Many millennial are highly aware of the side effects of traditional pet food products. With pet obesity being a major health concern, the demand for gluten-free, grain-free pet food is a major innovation driver in the global pet food industry. As pet food helps in combating skin allergies and infections as well as improving the overall health and life expectancy of pets, the owners are increasingly looking for pet food products that address these health concerns. Manufacturers are also introducing products specific to the breed, age and size of pets in smaller, disposable, single-serve containers in order to offer convenience to both the pets and owners. Apart from this, pet food companies are developing organic variants which are made using ingredients that are grown without the use of pesticides, synthetic fertilizers, hormones or antibiotics. This has increased consumer's interest in natural formulations, thereby increasing the potential of the companies to further diversify their offerings.

India Pet Food Market

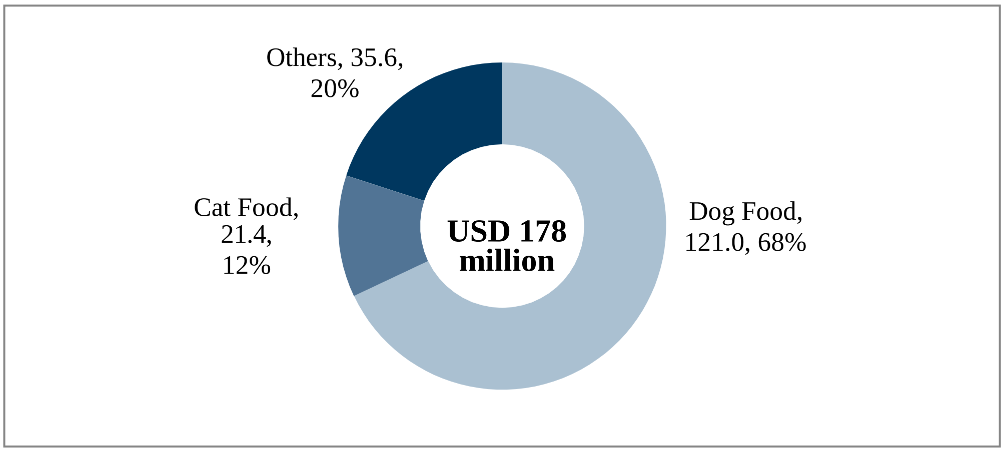
The Indian pet food market has been segmented by animal type into dog, cat, bird, and others. Dog food is going to be the largest and the fastest-growing segment during the forecast period. Dogs and Cats together contribute to over 80% of share in the consumption of pet foods. Dogs are the major consumers and are expected to grow at a higher rate during the forecast period.

With estimated 19 million pets, and 600,000 pets being adopted every year, the pet food industry in India shows huge potential. There is an increasing awareness about pet nutrition and pet owners are becoming more conscious about the products they buy.

India Pet Food Market, Value (USD million), 2015 and 2018



Segmentation of India Pet Food Market by Animal Type, Value (USD million), 2018



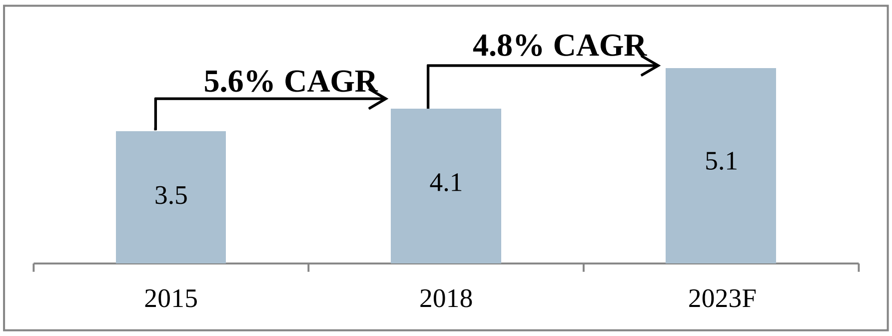
The increasing trend of adopting companion animals is due to urbanization; busy lifestyle is the other major driving factor for the dog food segment. Snack/treat is the fastest-growing segment in the dog food segment. Bird and small animal food is the opportunity segment in the market. Government programs aimed at encouraging pet adoption are resulting in the rising pet adoption rates for dogs and Cats. Rising health concern over animals and high investment on their foods and health are driving the pet food market.

Dog Food captures the market: Dogs adopt traditional eating habits, such as meat, non-meat scraps, leftovers of human existence, etc. However, these unhygienic foods led to allergic reaction in pets. Health concern for animals and pet humanization has created an opportunity for pet food. The dog is an omnivore. The major raw materials used in dog feed are feed grade ingredients and additives. Commercial dog food comes in the dry form or a wet canned form. The difference between two forms is the moisture content. Dry dog pet food contains 6–10% moisture by volume, as compared to 60–90% in canned food. Dry dog pet food is the biggest and fastest growing segment mainly due to the convenience of storage and low price.

Global Pet Grooming Market

The global pet grooming products market was worth US$ 4.1 billion in 2018, growing at a CAGR of 5.6% during 2015-2018. The market is further projected to reach a value of US$ 5.1 billion by 2024, growing at a CAGR of 4.8% during 2019-2024.

Global Pet Grooming Market, Value (USD billion), 2015, 2018 and 2023F



Pet grooming refers to well-being and maintenance of health of animals. The basic pet grooming products include shampoos & conditioners for bathing, clippers & scissors for nail clipping & trimming, and combs & brushes for hair cleaning. Other products include toothpaste to brush the teeth, and massage oils to massage the pets. The pet grooming products market is one of the smallest but established markets, witnessing consistent financial growth over the past decade. Geographically, North America accounts for the highest share in the global pet grooming products market accounted for nearly 30% of the global market. Adoption of specialized, advanced, and premium pet grooming products in the U.S. is expected to strengthen the growth of the North America pet grooming products market. Increase in disposable income and rise in popularity of pet grooming products in the emerging economies, such as China and India, are expected to upsurge the demand for pet grooming products in Asia-Pacific.

Growth Drivers

Rise in trend of nuclear families, and increase in awareness about pet health drive the growth of the global pet grooming products industry. In addition, increase in ownership of pets in developing nations and rise in e-commerce sales are expected to offer remunerative opportunities for the market players of pet grooming products. However, increase in concerns about allergies associated with pets is anticipated to hamper the market growth.

The increased adoption of shelter pets, the growth of mobile pet grooming services, the high demand for organic, natural, and eco-friendly products, the popularity of the pet humanization concept, and the increase in online retailing are some of the leading factors that are expected to drive the pet grooming products market during the forecast period.
One of the primary drivers for the growth of the pet shampoo market is the rising pet care awareness worldwide. Vendors are continuously introducing specialized pet shampoos and conditioners which are contributing to the growth of the pet care market.

Hence, the rise in the pet parenting concept, the increased adoption of shelter pets and stability in the economic situation are likely to drive the pet grooming products market during the forecast period.
Distribution channel

Supermarkets and hypermarkets are the most popular distribution modes of pet products in the pet grooming products market. Grooming products are mainly sold through retail distribution channels such as pet superstores and pet shops, veterinary clinics, supermarkets and hypermarkets and other stores such as departmental stores, pet breeders, variety stores, warehouse clubs, pharmacies and drugstore, and kiosks.

Pet specialty stores, veterinary clinics, and online retailing are the other modes of product distribution, which are significantly contributing to the pet grooming market. Internet retailing constituted over 6% of the market share in 2018. However, this distribution model is expected to witness rapid growth during the forecast period due to the increased preference of millennials to shop online and the availability of attractive subscription programs.

Product innovations
The growing demand for natural, organic, and eco-friendly pet products is further driving the natural pet grooming products market. Consumers are increasingly looking for organic or natural pet grooming products, including shampoo and sprays. Although these products constitute a small and premium segment in the overall pet grooming market, the demand is likely to drive the market during the forecast period.

Increased product innovations are highly influencing pet grooming business. Premiumization is expected to influence the pet grooming products market. Increased product innovations are highly influencing pet grooming business. Dog sunscreen, deodorants, and other cosmetics are increasingly becoming popular among pet owners.

OUR BUSINESS

*Some of the information contained in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled "**Forward-Looking Statements**" on page 16 of this Prospectus for a discussion of the risks and uncertainties related to those statements and also the section titled "**Risk Factors**" on page 24 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results of operations may differ materially from those expressed in or implied by these forward-looking statements.*

Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Statements. Our financial year ends on March 31 of each year, so all references to a particular fiscal or financial year are to the twelve-month period ended March 31 of that year.

Data included in this section in relation to certain operating metrics, financial information not otherwise included in the Restated Financial Statements and certain business information and data (such as number of products, number of customers, number of distributors, among others) have been reviewed and verified by JMT & Associates, independent Chartered Accountants. The manner in which some of the operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other specialty chemicals companies in India and other jurisdictions.

*The industry related information contained in this section is derived from the report entitled "Global and Indian Specialty Chemicals Report" prepared by Frost & Sullivan (India) Private Limited dated November 2019, (the "**F&S Report**") which we commissioned for the purposes of confirming our understanding of the industry in connection with the Offer. Neither we, nor any other person connected with the Offer, including the BRLMs, has independently verified the information derived from the F&S Report. Further, F&S may also base their opinion on estimates, projections, forecasts and assumptions that may prove to be incorrect. Prospective investors are advised not to unduly rely on the F&S Report when making their investment decision. For further details, see "**Risk Factors**" and "**Industry Overview**" on pages 24 and 103, respectively.*

Unless the context otherwise requires, in this section, references to "we", "us" or "our" refers to Rossari Biotech Limited on a consolidated basis and references to "the Company" or "our Company" refers to Rossari Biotech Limited on a standalone basis.

OVERVIEW

We are one of the leading specialty chemicals manufacturing companies in India based on sales for Fiscal 2019 providing customized solutions to specific industrial and production requirements of our customers primarily in the FMCG, apparel, poultry and animal feed industries through our diversified product portfolio comprising home, personal care and performance chemicals; textile specialty chemicals; and animal health and nutrition products. We operate in India as well as in 17 foreign countries including Vietnam, Bangladesh and Mauritius. According to the F&S Report, as on September 30, 2019, we are the largest manufacturer of textile specialty chemicals in India providing textile specialty chemicals in a sustainable, eco-friendly yet competitive manner. As a manufacturer of specialty chemicals, we focus on functionality and application of our products which form a key ingredient to our customers' manufacturing and industrial processes.

Our Promoters, Mr. Edward Menezes, and Mr. Sunil Chari, commenced the specialty chemicals business in 2003, as a partnership firm in the name of 'Rossari Labtech' which was subsequently changed to 'Rossari Biotech' and further converted into our Company. Our Company was founded in 2009 by our Promoters, who are both career-technocrats cumulatively having over 45 years of experience in the specialty chemicals industry. We have focused on providing customised solutions to our customers in a cost and time efficient manner. We believe our success is the result of sustained efforts over the decades in every aspect of our business, such as product innovation, process improvements for our customers' production cycle, agile customised solutions, our sustainable eco-friendly portfolio of products and increased scale of operations. Our business operations have been led by our Promoters and assisted by our experienced Key Managerial Personnel who have over 80 years of experience in the specialty chemicals industry cumulatively. Today, our Company is a pioneering force in the Indian specialty chemicals market and '*Rossari*' is considered a well-known brand in this market (*Source: F&S Report*).

Our business is organized in three main product categories – (i) home, personal care and performance chemicals; (ii) textile specialty chemicals; and (iii) animal health and nutrition products. As on May 31, 2020, we had a range of 2,030 different products sold across the three product categories.

Home, personal care and performance chemicals

We are the leading manufacturer of acrylic polymers in India (*Source: F&S Report*) and currently manufacture over 300 products for our customers in the soaps and detergent, paints, inks and coatings, ceramics and tiles, water treatment chemicals and pulp and paper industries. We also manufacture institutional cleaning chemical formulations for hospitality, facility management, airports, corporates, food service, commercial laundry, malls, multiplexes, educational sector, places of worship etc. We are in advanced stages of expanding our home, personal care and performance product portfolio to water treatment formulations, specialty formulation for breweries as well as dairies. We are also planning to introduce certain new products in the personal care and cosmetics segments. While we primarily operate in a business-to-business model for our home, personal care and performance products, we also sell certain of our end formulations to direct consumers under private label or in partnership with digital market platforms such as Amazon. Our revenue from sale of home, personal care and performance products constituted 46.81% of our total revenue in Fiscal 2020.

Textile specialty chemicals

We provide specialty chemicals for the entire value-chain of the textile industry starting from fiber, yarn to fabric, wet processing and garment processing and as on May 31, 2020, manufactures and sales approximately 1,543 products for our customers in this product category. We have differentiated our product portfolio by focusing on providing diversified and value added speciality chemicals to enhance hydrophilic properties, anti-microbial properties, flame retardant properties, fragrance, water repellents and UV absorbing properties of the textiles. Revenue from sale of textile chemicals constituted 43.71% of our total revenue in Fiscal 2020. Textile industry consumes a large amount of water and significantly contributes towards water pollution, air pollution as well as solid-waste pollution (*Source: F&S*). Accordingly, we focus on providing eco-friendly sustainable chemical solutions to our customers which either replaces the highly polluting chemicals being used by our customers or reduces the impact of environmental pollution by suitably modifying the overall industrial process.

Animal health and nutrition

We have also diversified into animal health and nutrition and currently supply poultry feed supplements and additives, pet grooming and pet treats including for weaning, infants and adult pets and currently manufacture over 100 products for our customers in this category. We forayed into pet grooming sub-category pursuant to our acquisition of the '*Lozalo*' brand and related trademarks, intellectual property and employees in Fiscal 2019. While almost all our products under the animal health and nutrition category are manufactured in-house, our pet treats are manufactured through job-work contracts. We sell our poultry feed products through a business-to-business model and our pet grooming and pet treat products to retail shop owners, in both cases through distributors. Our revenue from sale of animal health and nutrition products constituted 9.48% of our total revenue in Fiscal 2020.

We manufacture majority of our products in-house from our manufacturing facility at Silvassa in the Union Territory of Dadra & Nagar Haveli. The Silvassa Manufacturing Facility, located on 8.6 acres of land, has an installed capacity of 120,000 MTPA. The Silvassa Manufacturing Facility has flexible manufacturing capabilities for powders, granules and liquids. Further, we can interchange capacities across home, personal care and performance chemicals; textile specialty chemicals; and animal health and nutrition products categories, which ensures that we can manufacture any of these products at any point of time depending on the specific requirements of our customers and this facility also has a comprehensive range of testing as well as packaging capabilities. The annual capacity utilization of our Silvassa Manufacturing Facility has moved from 74.19% in Fiscal 2018 to 93.94% in Fiscal 2019 and to 82.46% in Fiscal 2020. We are currently setting up another manufacturing facility at Dahej in Gujarat with a proposed installed capacity of 132,500 MTPA which will enjoy proximity to the deep-water, multi-cargo port of Dahej. The proposed state-of-the-art facility will be well-equipped with advanced technologies and will be commissioned in Fiscal 2021.

As a specialty chemical manufacturing company, we continuously monitor industry trends so as to ensure that our products continue to remain relevant and help our customers meet the evolving market demands. We are driven by technical innovation in formulations and applications of our products in order to provide specific and customised solutions to our customers. Our qualified and experienced in-house R&D team focuses on the development of new products and formulations including collaborative product development with our customers to customize our products to customer expectations and end-user preferences, whilst simultaneously focusing on shorter lead-times and cost competitiveness. We have two R&D facilities – one within the Silvassa Manufacturing Facility and another one in Mumbai. Our R&D facilities are recognized by the Department of Scientific and

Industrial Research, Government of India and are also certified by a number of organizations including the Global Organic Textile Standards and the American National Standards Institute.

We have a wide network of distributors through which we sell our products. Our pan-India distribution network has over 204 distributors as on May 31, 2020. We sell our home, personal care and performance chemicals; and textile specialty chemicals in a business-to-business model through our distributors primarily to our customers in FMCG and apparel industries, respectively; and we sell our animal health and nutrition products through distributors either in a business-to-business model or to retailers. We also have four regional branch offices in Delhi, Ludhiana, Ahmadabad and Surat for marketing of our products to the customers in the North and West India regions. Our regional branch office in Surat also has a R&D support laboratory which provides localized and expedient technical support to our customers in that region. We also have 29 distributors spread in over 17 countries. We have also set up international offices in Ho Chi Minh City, Vietnam and Dhaka, Bangladesh as these two are primary overseas markets for our textile specialty chemical products.

In Fiscal 2020, Fiscal 2019 and Fiscal 2018, we generated total revenue of ₹ 6,038.18 million, ₹ 5,171.24 million and ₹ 3,004.29 million, respectively, EBITDA of ₹ 1,045.26 million, ₹ 776.28 million and ₹ 426.34 million, respectively and net profit after tax of ₹ 652.53 million, ₹ 456.83 million and ₹ 254.03 million, respectively. We have been able to increase our total revenue from Fiscal 2018 to Fiscal 2020 at a compound annual growth rate of 41.65%, EBITDA at a compound annual growth rate of 56.58% and our profit after tax has increased at a compound annual growth rate of 60.27% over the same period. We have reported Return on Net Worth of 31.79%, 43.32% and 34.08% with a total debt to equity ratio of 0.23 for Fiscal 2020, Fiscal 2019 and Fiscal 2018, respectively, and a Return on Capital Employed of 24.79%, 50.93% and 34.68% for Fiscal 2020, Fiscal 2019 and Fiscal 2018, respectively.

INDUSTRY OPPORTUNITIES

The global specialty chemicals market cumulatively constitutes a global market of approximately USD 237 billion in 2018 and is expected to grow at 5.4% per annum to reach approximately USD 308 billion by 2023. Our presence in the specialty chemicals market, particularly in the home, personal care and performance chemicals; textile specialty chemicals; and animal health and nutrition products, presents significant growth opportunities due to the following factors: (i) demographic overview and rapid urbanisation leading to consumption growth, (ii) growing demand for environmentally sustainable chemicals and (iii) positive regulatory focus from the Indian governmental authorities on manufacturing activities in India. Our relevant global market is expected to grow from a revenue of approximately USD 127 billion in 2018 to approximately USD 167 billion in 2023 at a CAGR of 5.6%. For the same period the relevant Indian specialty chemicals markets for our Company is expected to grow from a revenue of approximately USD 7.7 billion in 2018 to approximately USD 13.3 billion in 2023 at a CAGR of 11.6%% (*Source: F&S Report*)

In the home, personal care and performance chemicals category, according to the F&S Report, our dominance in the home care ingredients market (consisting of both household segment and industrial and institutional segments) is in enzymes and acrylic polymers which account for approximately 10% of the total homecare ingredients market and are expected to showcase robust growth due to the increased awareness about health and hygiene, as well as considerable increase in per capita disposable income. The addressable market for our Company in India home care ingredients is approximately USD 1.6 billion. The personal care ingredients market is divided into active and inactive ingredients. We have a presence in the inactive ingredients with special focus on silicone ingredients. This segment is 32% of the inactive ingredients market and 21% of total personal care ingredients market (active and inactive). The addressable market for our Company in India personal care ingredients is approximately USD 0.8 billion. (*Source: F&S Report*). Our company is also planning to venture into construction chemicals market and water treatment formulations market, for which the addressable market for our Company is approximately USD 1.1 billion and USD 1.7 billion respectively.

According to the F&S Report, we have presence in the entire textile specialty chemicals market across all segments (excluding the dyes sub-segment while we do have presence in dyeing auxiliaries). Accordingly, the addressable market for our Company in Indian textile specialty chemicals is approximately USD 1.2 billion. The F&S Report states that this segment provides significant potential for our Company to gain market share considering our existing position as an established market player. Due to increasing awareness of the ill-effects of certain chemicals on humans and the environment, the demand for environmentally sustainable green chemicals is increasing, particularly from the textile industry. The evolution of green chemistry in the chemical industry will be a critical trend fuelling the growth of the environmentally sustainable green chemicals market. Global green chemicals market is expected to grow at a CAGR of 10.5% during 2019 to 2023. According to the F&S Report, our product portfolio comprising of synthetic organic chemicals is aligned to the changing global and Indian trend of environmentally sustainable chemicals and our Company is well positioned to leverage the trend to attain aggressive growth rates. (*Source: F&S Report*)

According to the F&S Report, our presence in the animal health and nutrition products is largely in poultry and pets. These segments account for approximately 55% of the total market. The addressable market for our Company in Indian animal health and nutrition products is approximately USD 0.14 billion. The F&S Report also states that our Company has a significant presence in the poultry segment (largest end-use industry) and is in the process of expanding our footprints in the feed additive of aquaculture segment (fastest growing end-use industry). (*Source: F&S Report*)

According to the F&S Report, the current environment is more conducive for specialty chemical companies riding strong growth opportunities in India and globally. As, on one hand, robust growth in user industries in India will support growth, on the other, emerging opportunities in exports led by clamp down in China and outsourcing opportunity from Western countries are expected to spur growth in exports and import substitution. Our Company's agility in product delivery and ability to provide custom made solutions for our customers gives us an edge to enhance our customer outreach and relationship and consequently to also garner a higher market share and a unique position in the country and export market for specialty chemicals. (*Source: F&S Report*).

For more details on the industry related information, see *"**Industry Overview**"* on page 103.

Impact of COVID-19 on our business operations

The current outbreak of COVID-19 pandemic has adversely impacted the global economy. The World Health Organization declared the outbreak of COVID-19 as a public health emergency of international concern on January 30, 2020 and a pandemic on March 11, 2020. The Government of India announced a nation-wide lockdown on March 24, 2020 and imposed several restrictions. However, as we are engaged in manufacturing of disinfectants and sanitizers as part of our home, personal care and performance chemicals, our products were categorized under the 'essential goods' and our Silvassa Manufacturing Facility was not shut down during this pandemic. However, due to limited availability of labour, logistics and supply chain constraints, our plant was operating at sub-optimal capacity utilization in the month of April. We continued our manufacturing activities after making arrangements to meet the government's requirements on santization, people movement and social distancing. In view of the nationwide lockdown announced by the Government of India to control the spread of COVID-19, our business operations were temporarily disrupted from March 24, 2020. Since then, we have resumed operations in a phased manner as per the Government of India and state government's directives. Our plant utilization has improved, raw material suppliers have resumed operations and supply and logistics have become more regular. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in "***Risk Factors – Internal Risk Factors – The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted***" on page 24 and "***Risk Factors – External Risk Factors – The outbreak of COVID-19, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations***" on page 46. We are continuously monitoring the economic conditions and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business. For more details, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Factors Affecting Results of Operations and Financial Condition – COVID-19 Pandemic***" on page 272."

COMPETITIVE STRENGTHS

Diversified product portfolio addressing the needs of varied and long-standing customers across industries

We cater to various customers' needs across FMCG, apparel, and poultry and animal feed industries through our diversified product portfolio comprising home, personal care and performance chemicals; textile specialty chemicals; and animal health and nutrition products. For example, in the home, personal care and performance chemicals category, we currently manufacture and sell over 366 products for our customers in the soaps and detergent, paints, inks and coatings, ceramics and tiles, water treatment chemicals and pulp and paper industries. Apart from serving such different industry segments, we also have diverse products under each of these verticals. For example, in soaps and detergents segment, we manufacture products with varied anti re-deposition agent which enhances product efficacy at different thresholds depending on their respective applications. In the paints and coatings segment, we manufacture different types of acrylic emulsions and additives like dispersing agent thickeners and defoamers depending on the application as an interior or an exterior paint. These products differentiate various properties of paints like gloss, binding, flexibility, shine etc. In the textile specialty chemicals segment, we cover the entire gamut of products for the entire life-cycle of textile – starting from specialty chemical required for yarn dying, yarn lubricants to thread production, dyeing auxiliaries, garment finishing and printing.

We have multiple products customized for different stages of industrial production of textile. As on May 31, 2020, our Company manufactures and sells approximately 1,543 products in the textile specialty chemical sector. The large product portfolio helps us in retaining a customer in the textile industry across the entire value-chain as well as improving customer stickiness as procuring chemicals from different vendors for the same product creates significant logistical difficulty for the customers. We have also entered into a joint venture with Buzil for manufacturing institutional cleaning, hygiene and disinfection products. The addition of this product range has helped us gain institutional customers for facility management services, hotels, airports, corporates, malls, hospitals and educational institutions. We also have a wide range of products in the animal health and nutrition category. For example, we have a wide range of poultry feed supplements from enzymes to vitamin premix, trace minerals, acidifiers, disinfectants etc. We also provide shampoos for pets under the brand name '*Lozalo*'.

Our products are used across different end industries. For example, our products in the home, personal care and performance chemicals category are primarily used by our customers in the FMCG industry. Our textile specialty chemical products are primarily used in the textile and apparel industries. Our animal health and nutrition products are primarily sold in the poultry feed and animal feed industries. We believe our strong presence across these industries through our large portfolio of products reduces our risk of over-dependency on any specific product or industry segment.

Further, we serve a large number of customers across these industry segments. Our customer base currently comprises a host of multinational, regional and local companies. We enjoy relationships in excess of five years with 11 out of our top 15 customers. This can be demonstrated by the fact that over 21.50% of our consolidated revenue from operations in Fiscal 2020 was derived from such customers. We believe that this reflects our ability to cater to the continual procurement needs of our customers across diverse industries. We believe that our customers have acknowledged our values and business model as well as our appetite for investing in growth through long term capital commitments. We have demonstrated our ability to scale up our capacities to cater to the requirements of our customers.

We believe our approach of presenting a large portfolio of products for diversified customer applications has helped us enhance our growth and will continue to increase our brand loyalty among our customers.

Largest textile specialty chemical manufacturer in India

According to the F&S Report, we are the largest manufacturer of textile specialty chemicals in India as on September 30, 2019. We provide specialty chemicals for the entire value-chain of the textile industry starting from products for yarn production, production of man-made fibre, thread production, digital printing, fabric processing, dyeing auxiliaries, finishing range, garment finishing to products for printing. We believe our operations are backed by a strong manufacturing infrastructure for production of textile specialty chemicals, a technically knowledgeable marketing team which understands the specific requirements of our customers in textile industry and an innovative and technically robust R&D team which is able to provide the right solutions with speed and efficiency based on consultations with the marketing team.

According to the F&S Report, the demand for textile specialty chemicals have risen owning to the huge production of not just apparels but also rising demand for home furnishings, floor coverings and technical textile globally. The global textile specialty chemicals market is expected to grow at a CAGR of 4.0% (by value) from 2018 to 2023. The F&S Report predicts that while Europe and North America are expected witness sluggish growth in the textile specialty chemicals market, the Asia-Pacific region which accounts for more than half the world's consumption of textile specialty chemicals, will drive the future growth supported by the lower production costs and latest technologies. While China is the leading consumer and producer of textile specialty chemicals, markets like India, Vietnam and Bangladesh are expected to provide good opportunity in the textile specialty chemicals sector (*Source: F&S Report*). The textile specialty chemicals markets in Vietnam is expected to grow at a CAGR of 16% from 2016 to 2025 and the textile specialty chemicals markets in Bangladesh is expected to grow at a CAGR of 8% from 2018 to 2024 (*Source: F&S Report*). With booming garment and textile industries, the demand for textile specialty chemicals in these countries is expected to grow at a robust pace over the next ten years and this gives good opportunity to Indian textile specialty chemical manufacturers for exports. We believe we are very well positioned to exploit these growth opportunities in the South and South-East Asian countries and particularly in Vietnam and Bangladesh. We have already set up offices in Dhaka, Bangladesh and Ho Chi Minh City, Vietnam to serve our local customers in the South and South-East Asian countries. Further, the Indian textile specialty chemicals market is also expected to grow at a CAGR of 12.0% from 2018 to 2023 (*Source: F&S Report*). We believe that given our position as the largest manufacturer of textile specialty chemicals in India, we are well positioned to benefit from these growth opportunities in the textile and apparel industry and in-turn textile specialty chemicals markets in next seven to ten years both in India and globally.

We believe the future growth opportunities in the textile specialty chemicals industry will be primarily driven by diversified and value-added specialty chemicals which provide sustainable solutions and we are well placed to benefit from such growth opportunities. We have continuously focused on manufacturing a wide range of ecofriendly sustainable products including Greenacid, Greensoda, Bioclay (a clay based product), Greenhydro 400 Pdr, Greenboost which both eco-friendly and cost-competitive.

Extensive manufacturing and technical capabilities

We manufacture majority of our products in-house from the Silvassa Manufacturing Facility, located on 8.6 acres of land. This facility has an installed capacity of 120,000 MTPA. The Silvassa Manufacturing Facility has flexible manufacturing capabilities for powders, granules and liquids which ensures that we can manufacture any of these at any point of time depending on the specific requirements of our customers. This facility has a comprehensive range of testing as well as packaging capabilities. It also has an effluent treatment plant to ensure zero liquid discharge. We are a contributor to ZDHC which is a testament to our dedicated and sincere efforts towards zero discharge. The Silvassa Manufacturing Facility has received a number of other accreditations and certifications by national and international organizations including ISO 9001:2015 and ISO 14045:2012. This facility also has 2,500 MT bulk storage capacity for acid, alkali, base oils and surfactants.

The annual capacity utilization of our Silvassa Manufacturing Facility has moved from 74.19% in Fiscal 2018 to 93.94% in Fiscal 2019 and to 82.46% in Fiscal 2020. We are currently setting up another manufacturing facility at Dahej in Gujarat with a proposed installed capacity of 132,500 MTPA to expand our manufacturing capacity in line with our growth in overall business. The Dahej Manufacturing Facility will also enjoy a proximity to the deep-water, multi-cargo port of Dahej which is a cost and logistical advantage. The proposed state-of-the-art facility will be well-equipped with advanced technologies and will be commissioned in Fiscal 2021.

Strong R&D capabilities with focus on innovation and sustainability

Our R&D efforts place significant emphasis on improving our production processes, improving the quality of our present products, creating new products and formulation and making production processes of our customers more efficient and sustainable through our effective and eco-friendly products. Our R&D efforts are driven by customer needs, in terms of meeting specific needs that our direct customers communicate to us prior to commencement of manufacturing of our products. As a specialty chemical manufacturing company, we continuously monitor industry trends so as to ensure that our products continue to remain relevant and help our customers meet the evolving market demands. We are driven by technical innovation in formulations and applications of our products in order to provide specific and customised solutions to our customers. Our qualified and experienced in-house R&D team focuses on the development of new products and formulations including collaborative product development with our customers to customize our products in line with customer expectations and end-user preferences, whilst simultaneously ensuring shorter lead-times and cost competitiveness. We have two R&D facilities – one within the Silvassa Manufacturing Facility and another one in Mumbai and we have a dedicated team of 22 employees in our R&D facilities. Our R&D covers all the three aspects of our products - synthesis research, formulation and development, and technical service. Our R&D facilities are recognized by the Department of Scientific and Industrial Research, Government of India and is also certified by a number of organizations including the Global Organic Textile Standards and the American National Standards Institute. Our regional branch office in Surat also has a R&D support laboratory which provides localized and expedient technical support to our customers in that region.

We believe that our ability to provide eco-friendly sustainable solutions which help our customers to reduce their carbon footprint and the overall impact on the environment in a cost efficient manner is a testament to our robust R&D capabilities. Our R&D team has focused on manufacturing a wide range of eco-friendly sustainable products including Greenacid, Greensoda, Bioclay (a clay based product), Greenhydro 400 Pdr, Greenboost which are not only eco-friendly but also competitively priced.

Our Promoters, Mr. Edward Menezes and Mr. Sunil Chari, have inculcated the culture of innovation and instilled a firm belief that R&D is a key element of our growth. In line with their vision, our Company has over the years made continuous investments in R&D to expand our bouquet of product offerings and to streamline manufacturing process. We believe that our emphasis on R&D has been a catalyst for the growth of our businesses and contributes significantly to our ability to meet customer needs in a competitive market. Product and process innovations will be key factors going forward and our continued investment in R&D will prepare us to take advantage of any future opportunities in the specialty chemical industry.

Wide sales and distribution network

We believe that our growth in our business operations have been made possible by our wide sales and distribution network with whom we enjoy long-standing relationships. Our pan-India distribution network has over 204 distributors as on May 31, 2020.

We primarily follow a business-to-business or a business-to-business-to-consumer model for our home, personal care and performance chemicals, and textile specialty chemicals product categories. We have a wide network of 22 distributors spread over 9 states for our home, personal care and performance chemicals in India. We also have four regional branch offices in Delhi, Ludhiana, Ahmadabad and Surat for marketing of our products to the customers in the North and West Indian regions. These regional branch offices also act as the localised point of contact for our textile specialised chemicals. Further, we have started selling certain of our end formulations in the home, personal care and performance chemicals to direct consumers under our private label or in partnership with digital market platforms such as Amazon.

In the textile specialty chemicals product category, we sell our products through a network of 109 distributors spread over 13 states in India and through 19 overseas distributors spread over 16 countries including in the USA, Portugal, the UAE, Vietnam, Sri Lanka, South Korea, Mexico and Turkey. We have also set up international offices in Ho Chi Minh City, Vietnam and Dhaka, Bangladesh as these two are primary overseas markets for our textile chemical products. For our animal health and nutrition products, we sell our poultry feeds through a business-to-business model and our pet grooming and pet treat products to retail shop owners through 37 distributors.

We work with different distributors depending on their geographical reach, market knowledge, product and customer awareness as well as understanding of each of the end-consumer industries for which each of our products are used. Accordingly, we have only 3.86% of our total distributors present in two of our product categories and there is no distributor who is present in all the three of our product categories. Our distribution network is aided by our capable in-house sales and marketing team which liaise with the distributors on a regular basis for customer inputs, market demands as well as positioning of our products vis-à-vis products of our competitors. Our sales and marketing team is also technically equipped and they closely work with our customers to understand the specific needs of the clients for customisation of our products and can provide on-the-spot solutions to the basic problems of our customers. Our sales and marketing team has 157 dedicated employees and is responsible for increasing pan-India as well as global reach of our products.

Experienced Promoters with strong management team having domain knowledge

We have an experienced management team led by our founders and Promoters, Mr. Edward Menezes and Mr. Sunil Chari who have cumulatively over 45 years of experience in the chemicals industry and we benefit immensely from their expertise.

Mr. Menezes is the backbone of our Company's technical and manufacturing endeavours. He is an alumnus of the Institute of Chemical Technology (formerly University Department of Chemical Technology), Mumbai and also holds a Master's degree in Marketing Management from the University of Mumbai. He has over 25 years of experience in the speciality chemical industry and has more than ten years of experience in different roles within our Company and has been actively involved in the day-to-day running of our Company. Mr. Edward Menezes was also awarded 'UAA Distinguished Alumnus technology day award, 2013' by UDCT and the Institute of Chemical Engineering. Mr. Chari is responsible for business development operations of our Company. He has obtained a diploma in textile chemistry from Victoria Jubilee Technical Institute, Mumbai. He has over 20 years of experience in the speciality chemical industry and has more than ten years of experience in different roles within our Company and has been actively involved in the day-to-day running of our Company.

We also have an advisory board which provides overall industry and business guidance to our Board of Directors. The advisory board comprises of Dr. Annoottam Ghosh, Mr. Vikram Gupta, Mr. Jean Marcopoulos and Mr. Karl Klaus. Dr. Annoottam Ghosh was the chief executive of ICI India Limited's speciality chemicals business (Uniqema) from 1999 to 2006 and subsequently the managing director of Croda India Company Private Limited from 2007 till his retirement in 2013. Mr. Vikram Gupta is the founder, managing partner and investment committee member at IvyCap Ventures Advisors Private Limited. Mr. Jean Marcopoulos has extensive experience in production and marketing of chemicals across multiple international jurisdictions including in France, Scotland, Italy, the USA, China, Japan and Indonesia. Mr. Klaus is a founder and was also a managing director of Autenta Consulting GmbH Germany and Autenta Consulting GmbH Switzerland and was a senior advisor to management board of Buzil-Werk Wagner GmbH & Co.

We believe that our senior management team which includes Mr. Edward Menezes, our Chairman, Mr. Sunil Chari, our Managing Director, and other Key Managerial Personnel of our Company, along with the guidance from our advisory board, is well qualified with significant industry experience and has been responsible for the growth in our operations. Our Key Managerial Personnel have over 80 years of experience in the specialty chemicals industry cumulatively. We believe that the experience and relationships that our management team has, have enabled us to extend our operating capabilities, improved the technical quality of our products and facilitated our growth in the specialties chemical industry. We also believe that we have a strong second line of management and an experienced pool of Key Managerial Personnel.

Proven track record of robust financial performance

Our focus on functional and operational excellence has contributed to our track record of robust financial performance. In Fiscal 2020, Fiscal 2019 and Fiscal 2018, we generated total revenue of ₹ 6,038.18 million, ₹ 5,171.24 million and ₹ 3,004.29 million, respectively, EBITDA of ₹ 1,045.26 million, ₹ 776.28 million and ₹ 426.34 million, respectively and net profit after tax of ₹ 652.53 million, ₹ 456.83 million and ₹ 254.03 million, respectively.

From Fiscal 2018 to Fiscal 2020, as per the Restated Financial Statements, we have been able to increase our total revenue from Fiscal 2018 to Fiscal 2020 at a compound annual growth rate of 41.65%, EBITDA at a compound annual growth rate of 56.58% and our profit after tax has increased at a compound annual growth rate of 60.27% over the same period. We have reported Return on Net Worth of 31.79%, 43.32% and 34.08% with a total debt to equity ratio of 0.23 for Fiscal 2020, Fiscal 2019 and Fiscal 2018, respectively, and a Return on Capital Employed of 24.79%, 50.93% and 34.68% for Fiscal 2020, Fiscal 2019 and Fiscal 2018, respectively. As on March 31, 2020, our long term borrowings, as per our Restated Financial Statements, were ₹ 339.60 million (excluding current maturities of long term borrowings).

We have been able to manage our sustained growth without compromising on profit margins of our products, without any external equity funding from strategic investors or private equity funds and without any high leverage from lenders. Our ability to fund our capital expenditure from our internal accruals, our efficient sweating of assets which has led to a high asset turn-over and our efficient working capital management are testament to our efficient and prudent financial management. We also believe that our robust financial performance reflects the efficacy of the manufacturing and supply-chain management protocols that we have implemented. Our steady operating cash flows enable us to meet the present and future needs of our customers while our strong balance sheet and financial performance instil confidence in them. In recent years, we have strategically invested significantly in capacity expansion and technological modernisation of our Silvassa Manufacturing Facility as well as in our R&D endeavours. We believe that our ability to make these investments helps strengthen trust and engagement with our customers, which enhances our ability to retain these customers and extend our engagement across products and geographies.

OUR STRATEGIES

Expand manufacturing capacity and increase production efficiency

According to the F&S Report, rapid industrialization in India and China is expected to drive demand for specialty chemicals. The Asia Pacific countries are expected to dominate the market across the world, with a share of 40%, owing to the large customer base, leading to high demand for specialty chemicals, increasing industrial production, and robust growth of the construction sector in the region. The Asia Pacific is followed by North America and Europe. The global specialty chemicals market is expected to grow at a CAGR of 5.3% while the Asia Pacific is anticipated to grow at the fastest rate of 6-7% during the forecast period. The specialty chemicals industry in India is driven by both domestic consumption and exports. The growth of the market is in conjunction with the overall growth of the Indian economy. Export of specialty chemicals is expected to grow as India is becoming a central manufacturing hub for such chemicals. Tightening of environmental norms in developed countries and the slowdown of China are the driving factors for such growth in exports from India. The recently launched "Make in India" campaign is also expected to add impetus to the emergence of India as a manufacturing hub for the chemicals industry in the medium term. (*Source: F&S Report*)

We seek to capitalize on the growth opportunities in the specialty chemicals industry based on our well positioned operations, network of distributors and dealers and being led by an experienced management team. We currently operate one manufacturing facility at Silvassa, in the Union Territory of Dadra & Nagar Haveli from which we produced 86,581.20 MTPA of specialty chemicals in Fiscal 2020. We are currently setting up another manufacturing facility at Dahej in Gujarat with a proposed installed capacity of 132,500 MTPA.

We have experienced significant growth in our business operations. We have expanded our product portfolio in our home, personal care and performance chemicals, and textile specialty chemicals product categories significantly. We have also expanded our geographical reach on a pan-India basis as well as to overseas customers. We forayed into animal health and nutrition products in 2010. The aggregate volume of production at our Silvassa Manufacturing Facility has also increased over the years from 44,512.54 MTPA in Fiscal 2018 to 73,584.21 MTPA in Fiscal 2019 to 86,581.20 MTPA in Fiscal 2020 while the rate of capacity utilization of the Silvassa Manufacturing Facility has moved from 74.19% to 93.94% to 82.46% during the corresponding periods. For details of capacity, production volume and capacity utilization of our manufacturing facilities, see "***– Production***" on page 161.

Majority of our products are currently manufactured and formulated in-house at our Silvassa Manufacturing Facility. The installed capacity of our Silvassa Manufacturing Facility is 120,000 MTPA. In line with the industry growth opportunities and our own growth track record, we seek to expand our manufacturing capacity by commissioning the Dahej Manufacturing Facility by Fiscal 2021. The proposed installed capacity of the Dahej Manufacturing Facility is 132,500 MTPA and its proximity to the deep-water, multi-cargo port of Dahej will increase our cost efficiency. The Dahej Manufacturing Facility is being set up with modern technologies which were unavailable for our Silvassa Manufacturing Facility and will be designed in a way that ensures optimum utilization of power, maximization of the amount of movement of liquid handling through an automatic mode and mechanization of all the powder operations like charging and bagging.

We believe that our leading presence in the Indian specialty chemicals industry presents us with a significant advantage to benefit from the future growth opportunities in the specialty chemicals industry in India and overseas.

Introduce new products and focus on green products which promote sustainability

We seek to continue to expand our specialty chemicals product portfolio to cater to the specific requirements of our customers and also expand into new business segments through introduction of new products. We continuously work on launch of new products through our focused R&D activities. For example, we are currently planning to launch two new products in the textile finishing range. Additionally, we are also working towards launch of products in the anti-microbial and electromagnetic protection range. We seek to focus on formulations for water treatment plants in our home, personal care and performance chemicals category and primarily target to cross-sale this product to our existing customers. We are also planning to manufacture specialty chemicals for cement industry where we have formulated a specialty additive in-house which is used in the cement manufacturing and which improves the overall productivity and reduces production cost for cement manufacturers.

Further, as the single largest textile specialty chemical manufacturer in India (*Source: F&S Report*), we want to ensure that our formulations are not only eco-friendly products but also improves the sustainability of the manufacturing and other industrial processes in the textile industry. For example, we provide Greenacid to a number of textile manufacturers who use it for pH adjustment. Greenacid has replaced the use of conventional acids which was more polluting and at the same time made it more cost efficient for our customers.

Continue to focus on innovation and grow our business across customer segments

As a manufacturer of specialty chemicals, we understand that performance and functionality of our products are the primary drivers for their success with our customers. Accordingly, we seek to continue to focus on our ability to customize our products according to the specific requirements of our customers through innovation including creation of new molecules and focusing on sustainable solutions. We continuously seek to improve on our products to make them more effective for our customers and their applications and processes. We aim to innovate, manufacture and supply specialty chemicals which will make the processes followed by our customers more efficient, environmentally more sustainable as well as more cost efficient. We also seek to improve our agility and flexibility in offering customized products to our customers at short notice which we believe will be a differentiator among the companies engaged in manufacturing specialty chemicals in near future. Towards that we have customer service and support to all our customers and each of our customers has been tagged individually to an executive of our Company. We want to continue to focus on such dedicated consultative processes between our customers and our Company as that helps us to understand the processes followed by our customers and their specific application requirements better and we are able to provide them specific solutions at the earliest. We want to continue to promote and strengthen our formulation and application expertise which is led by our technical R&D team.

We also seek to grow our business across diverse customer segments by focusing on innovation and customization of our solutions. We believe that our ability to customize our products for the various applications of our customers at a short notice can help us diversify our operations across different customer segments. Currently we are serving customers from textile, apparel, soaps and detergents, paints, inks and coatings, ceramics and tiles, water treatment chemicals and pulp and paper industries. We are in advanced stages of expanding our home, personal care and performance chemicals product portfolio to water treatment formulations, specialty formulation for breweries as well as dairies. We are also planning to introduce certain new products in the personal care and cosmetics segments. Further, we plan to introduce new formulations including special formulations for mobile-antibacterial for screens, non-alcohol sanitizers and also introduce technologies in newer markets of spin finish, technical textile and textile sizing. We also seek to expand our product portfolio in the pet food sub-segment and introduce new formulations in this segment.

Increase wallet share with existing customers and continued focus to expand customer base

Our customer base currently comprises a host of multinational, regional and local FMCG companies including, inter alia, RSPL Limited (Ghadi detergent), IFB Industries Limited, Hindustan Unilever Limited, BSH Household Appliances Manufacturing Private Limited, CICO Technologies Limited, Rentokil Initial Hygiene India Private Limited and Millennium Papers Private Limited; apparel and textile companies including, inter alia, Arvind Limited, Ashnoor Textile Mills Limited, Bhaskar Industries Private Limited, European Textile Chemical Corporation and Shahi Exports Private Limited; and poultry feed, animal feed or food-service companies including inter alia, Hitech Hatch Fresh Private Limited, Gokul Poultry Industries, Sarvottam Poultry Feed Supply Centre Private Limited and Sneha Farms Private Limited. We believe that the long-standing relationships that we have enjoyed with our customers over the years and the repeat and increased orders received from them are an indicator of our position as a preferred supplier to leading FMCG, apparel, textile and poultry feed companies.

While we believe that our continuing R&D endeavours and our reputation for quality will help increase our overall market share for both of our home, personal care and performance chemicals category and the textile specialty chemicals category, we intend to focus on increasing our wallet share with existing customers in the years to come. We have built long-standing relationships with our customers through various strategic endeavours, which we intend to leverage by capitalizing on the significant cross-selling opportunities that our diversified product portfolio offers. Further, we plan on utilizing our expanded geographical footprint to address the sourcing requirements of our existing multinational customers in the FMCG, textile and apparel industries as and when they enter new markets, thereby consolidating our position as a preferred supplier across geographies.

We have served 593 customers in Fiscal 2018 and 743 customers in Fiscal 2020. We also regularly take part in trade shows, road shows and exhibitions, and our employees have been invited as speakers at various industry fora. Going forth, we intend to continue to leverage our sales and marketing network, diversified product portfolio and our industry standing to establish relationships with new multinational, regional and local customers and expand our customer base.

Expand our international operations

According to the F&S Report, the global specialty chemicals market is expected to grow at a CAGR of 5.3% with the Asia Pacific market leading with an estimated growth rate of 6-7% during the forecast period. The specialty chemicals industry in India is driven by both domestic consumption and exports. Export of specialty chemicals is also expected to grow as India will gradually become the central manufacturing hub for such specialty chemicals. In line with the market opportunities, we seek to expand our international footprint and increase our sales from exports. In Fiscal 2020, Fiscal 2019 and Fiscal 2018, our revenue from exports was 11.04%, 13.92% and 13.77% of our total revenue, respectively. However, we aim to increase our share of revenue from exports in future. Further, the demand for textile specialty chemicals have risen all over the world owning to the huge production of not just apparels but also rising demand for home furnishings, floor coverings and technical textile globally. The global textile specialty chemicals market is expected to grow at a CAGR of 4.0% (by value) from 2018 to 2023. The F&S Report predicts that the Asia-Pacific region will drive the future growth in the textile specialty chemicals. While China is the leading consumer and producer of textile specialty chemicals, markets like India, Vietnam and Bangladesh are expected to provide good opportunity in the textile specialty chemicals sector. (*Source: F&S Report*)

To this purpose, we have set up a separate team for exports with the primary objective of expanding our business operations in international markets, create a distribution network and channel partners across geographies and build capabilities to serve such jurisdictions. We seek to reach out to international brands for product adoption and brand nomination. These brands primarily relate to apparel and garments industry, food products industry and textiles industry. We also seek to enter into co-branding arrangements with such companies. Collaboration with apparel and textile industry brands will be our primary expansion focus in certain geographies such as the United States, countries in Latin America and countries in West Asia including Egypt, Tunisia and Turkey which have established textile manufacturing hubs. Further, towards extending our international footprint in the South East Asian markets, we have already set up an office in the Ho Chi Minh City, Vietnam and Dhaka, Bangladesh and we supply textile specialty chemicals to various customers in Vietnam and Bangladesh which are two of the leading textile and apparel manufacturing centres in South and South-East Asia. We also have our distributors in Bandung, West Java and Jakarta to expand our business operations in Indonesia. We seek to expand our operations to Philippines, Kenya, South Korea, Turkey, Ethiopia and Taiwan in future which we believe are higher margin markets.

In the home, personal care and performance chemicals products category, we seek to expand our customer base for our detergent additives including enzymes. We also seek to expand our products sold under our private label or in partnership with digital market platforms such as Amazon in foreign countries. In the animal health and nutrition products category, we ourselves or through our distributors have started statutory registrations (with many products already registered) in many countries like Nepal, Bangladesh, Myanmar, Vietnam, Philippines, Egypt, Kenya, Nigeria and Mauritius. To this purpose, we have also participated in many exhibitions in some of these countries.

We believe that we are well positioned to exploit the opportunities offered by the expected growth in the specialty chemicals industries internationally due to our strong manufacturing capabilities, strong R&D capabilities and wide product portfolio. We intend to focus on leveraging such opportunities to increase our international operations.

Inorganic growth through strategic acquisitions

Going forward, we believe that strategic investments and acquisitions of businesses in the specialty chemicals industry may act as an enabler of growing our business. We believe that our efforts at diversifying into new segments of the specialty chemicals industry or into new domestic or international markets can be facilitated by investing in similar business opportunities or making acquisitions of existing brands or businesses with manufacturing facilities, market share or growth potential, whose operations, resources, capabilities and strategies are complementary to our Company.

We will also continue to consider opportunities for inorganic growth in India and the Asia Pacific region, particularly to:

- consolidate our market position in existing business lines;
- achieve operating leverage in key markets by unlocking potential efficiency and synergy benefits;
- strengthen and expand our product portfolio;
- enhance our depth of experience, knowledge-base and know-how; and
- increase our network of distributors, customers and geographical reach.

F&S Report anticipates that vertical integration in the value chain is expected to increase market consolidation and the specialty chemicals industry will become more competitive, leading to further consolidation of the organized market. Leveraging on this consolidation, we intend to evaluate growth opportunities to inorganically grow our specialty chemicals operations. As on the date of this Prospectus, we have identified certain strategic investment or acquisition opportunities which includes entering into a joint venture agreement with certain third parties and acquisition of balance stake in our Subsidiary, Buzil Rossari. While we seek to make such strategic investments or enter into any such acquisitions on an opportunistic basis, as on the date of this Prospectus, we have not entered into any agreement or arrangement towards these.

OUR PRODUCTS AND OPERATIONS

We are one of the leading specialty chemicals manufacturing companies in India based on sales in Fiscal 2019 (*Source: F&S*) providing home, personal care and performance chemicals; textile specialty chemicals; and animal health and nutrition products.

Our products can be divided into three primary product categories – (i) home, personal care and performance chemicals; (ii) textile specialty chemicals; and (iii) animal health and nutrition.

		Revenue (₹ in million)		
Product categories	**Applications**	**Fiscal 2020**	**Fiscal 2019**	**Fiscal 2018**
Home, personal care and performance chemicals	Specialty chemicals for detergents, surface cleaners, water treatment, paints, coatings, ceramics etc.	2,808.88	1,954.95	557.19
Percentage of total revenue from operations		*46.81%*	*37.87%*	*18.63%*
Textile specialty chemicals	Specialty chemicals catering to the entire value chain including pre-treatment, processing, dyeing, finishing etc.	2,623.04	2,690.81	2,139.56
Percentage of total revenue from operations		*43.71%*	*52.13%*	*71.54%*
Animal health and nutrition	Poultry feed supplements, pet grooming and pet treats including for weaning, infants and adult pets	569.02	516.42	293.86
Percentage of total revenue from operations		*9.48%*	*10.00%*	*9.83%*
Total		**6,000.94**	**5,162.18**	**2,990.61**

Majority of our products across the three categories are manufactured in-house at our manufacturing facility in Silvassa, in the Union Territory of Dadra & Nagar Haveli. We are currently setting up another manufacturing facility at Dahej in Gujarat which is expected to be fully commissioned by Fiscal 2021.

Home, personal care and performance chemicals

We forayed into the home, personal care and performance chemicals in 2013 and currently manufacture and supply specialty chemical products to our customers in the soaps and detergent, paints, inks and coatings, ceramics and tiles, water treatment chemicals and pulp and paper industries.

Our revenue from sale of home, personal care and performance chemicals were approximately ₹ 2,808.88 million, ₹ 1,954.95 million and ₹ 557.19 million, respectively, for Fiscal 2020, Fiscal 2019 and Fiscal 2018, which was 46.81%, 37.87% and 18.63% of our total revenue from operations for the respective periods.

Manufacturing

All our home, personal care and performance chemical products are currently manufactured in our Silvassa Manufacturing Facility.

Products

We currently manufacture and provide home, personal care and performance chemical products to our customers in the soaps and detergent, paints and coatings, ceramics and tiles, and pulp and paper industries. We are in advanced stages of expanding our home, personal care and performance chemicals product portfolio to water treatment formulations, specialty formulation for breweries as well as dairies. We are also planning to introduce certain new products in the personal care and cosmetics segments. We also plan to introduce new formulations including special formulations for mobile-antibacterial for screens and non-alcohol sanitizers. Additionally, we are planning to manufacture specialty chemicals for cement industry where we will manufacture specialty additive which is used in the cement manufacturing and which improves the overall productivity and reduces production cost for cement manufacturers.

Set forth below is a list of the home, personal care and performance chemical products manufactured by our Company in the soaps and detergent, paints and coatings, ceramics and tiles, and pulp and paper industries.

Industry	**Product application**
Soaps and detergents	• Anti re-deposition agent – four variants: Dispa 2050 HN; Detpro 2048 AD; Detpro 2040 CP; and Detpro 2045 HP • Water softener • Stain busters • Detergent cake and others
Paints and coatings	• Different types of acrylic emulsions • Different types of additives E.g. Dispersing agent thickeners, defoamer and wetting agents, etc.
Ceramics and tiles	• Body binder • Deflocculent • Polishing agent • CMC
Pulp and paper	• Acrylic emulsions • Additives E.g. Dispersing agent, DSR, cross linking agent and various products for water treatment
Proposed	
Cement and construction chemicals	• Specialty additive for cement processing
Water treatment formulations	• Boiler chemicals • Cooling tower chemicals • RO chemical • Waste water treatment
Specialty formulation for breweries as well as dairies	• Hinder bacterial growth • Break molasses • Cleaning sugar syrup
Sanitizers for electronic gadgets	• Mobile-antibacterial sanitizers for screens • Non-alcohol sanitizers

Distribution

We primarily follow a business-to-business or a business-to-business-to-consumer model for our home, personal care and performance chemical products. We have a wide network of over 22 distributors spread over 9 states for our home, personal care and performance chemicals in India. We have a long-standing relationship with many of our distributors.

We also have four regional branch offices in Delhi, Ludhiana, Ahmadabad and Surat for marketing of our products to the customers in the North and West Indian regions. Our regional branch office in Surat also has a R&D support laboratory which provides localized and expedient technical support to our customers in that region. Further, we have started selling certain of our end formulations in the home, personal care and performance chemicals to direct consumers under our private label or in partnership with digital market platforms such as Amazon.

Customers

In home, personal care and performance chemicals category, we have served 138 customers in Fiscal 2018 and 210 customers in Fiscal 2020. We manufacture and supply home, personal care and performance chemicals to over 373 customers as on May 31, 2020. Some of the significant customers for our home, personal care and performance chemical products category include RSPL Limited (Ghadi detergent), IFB Industries Limited, Hindustan Unilever Limited, Panasonic India Private Limited, BSH Household Appliances Manufacturing Private Limited, CICO Technologies Limited, Rentokil Initial Hygiene India Private Limited and Millennium Papers Private Limited.

We supply a number of formulations to RSPL Limited which is the manufacturer and supplier of *Ghadi* detergent. We have also entered into arrangements for manufacturing and supplying certain products to Hindustan Unilever

Limited in the home, personal care and performance chemicals category which include *Love & Care*, *Cif*, *Rin*, *Vim* and *Sunlight*. We have also entered into an arrangement with Hindustan Unilever Limited to develop, manufacture and market a range of products for the institutional customers.

In the home, personal care and performance chemical products category, we sell our products to customers in the FMCG sector. We believe that our ability to find the right formulations and applications are the key reasons for our success in the home, personal care and performance chemical products category. Set forth below are two instances where we were able to find the right solutions to our customers with our innovative yet cost-efficient formulations.

Case study 1: One of our customers who is engaged in manufacturing washing machines faced a problem in their latest washing machine model - instruction details on the machine panel were getting a smudged off after multiple washing cycles. This was a serious concern for the manufacturer as the reliability of the brand was at stake and it needed to be fixed expeditiously. This customer also sold its own branded detergent to be used in the washing machines manufactured by it. We realised that due to high alkalinity of the existing detergent, the washing machine manufacturer was facing the problem in its latest washing machine models. We decided to modify the existing laundry detergent by reducing the alkali content in the formulation. However, the decrease in alkali content also hampers the performance of detergent. We accordingly added certain of in-house compatible surfactants which drastically improved the cleaning performance of the detergent despite its low alkali content. Since we reduced the alkalinity to a neutral level, it arrested the damage, the detergent was causing on panels of the new model of the washing machines. The reduced alkali content also minimised any reaction that the higher alkali content could create to a kid's skin after a kids-wear has been washed in the washing machine. We received positive response from various trial taken at local laundry houses. Good detergency results, no damage to user, stable product - these are some of the key remarks we had received from the existing customer who is selling our formulation.

Case study 2: The cost of an active ingredient in formulation plays an important role in overall cost of the finished goods. One of our customers which is one of the leading manufacturers of detergent powder was facing the problem in cost management as it was purchasing highly expensive additive for their product. Since it was an expensive compound, the customer was finding it difficult to retain the quality of the product and its performance without maintaining its cost-competitiveness. As a solution, with the help of our experienced R&D team, we initially prepared a suitable polymer at our R&D centre in Mumbai. After successful trials with this molecule in our application laboratory, we started modification of this polymer to improve its performance. Extensive survey, analysis and application were done on the polymer at our own laboratory in Mumbai as well as in external laboratories. After more than a year we were finally able to prepare the required molecule for commercialization (Dispa 2050 HN). The differentiating factor of this molecule was its superior performance at a substantially lower cost. Our Dispa 2050 HN is a polymer with good anti-soil deposition property. Due to a layer of polymer on the surface of a garment, it helps to prevent stains from redepositing back on the fabric after they have been removed. It also promotes chelation of heavy metal present in water (sequestering action) which helps to enhance detergency. Since the last Fiscal, we have been successfully supplying Dispa 2050 HN to this customer and we have experienced a higher demand for this product from this specific customer during this period. We have received positive feedback from our customer as well as our customer's end-customers.

Textile Specialty Chemicals

We are the largest manufacturer of textile specialty chemicals in India as on September 30, 2019 (*Source: F&S*). We provide specialty chemicals for the entire value-chain of the textile industry starting from products for fibre, yarn dyeing, production of man-made fibre, thread production, digital printing, fabric processing, dyeing auxiliaries, finishing range, garment finishing to products for printing, denim, knits made of various fibers like cotton, viscose, modal, lycra, wool, silk, polyester, nylon, polypropylene, linen, hemp, jute etc. We believe that we have gained expertise in complete textile processing and we are backed by a strong manufacturing infrastructure for production of textile chemicals, a technically knowledgeable marketing team who understands the specific requirements of our customers in textile industry and an innovative and technically robust R&D team which is able to provide the right solutions with speed and efficiency based on consultations with the marketing team.

Our revenue from sale of textile specialty chemicals were approximately ₹ 2,623.04 million, ₹ 2,690.81 million and ₹ 2,139.56 million, respectively, in Fiscal 2020, Fiscal 2019 and Fiscal 2018, which was 43.71%, 52.13% and 71.54% of our total revenue from operations for the respective periods.

Manufacturing

All our textile specialty chemicals are currently manufactured in our Silvassa Manufacturing Facility.

Products

We provide specialty chemicals for the entire value-chain of the textile industry starting from products for yarn production, production of man-made fibre, thread production, digital printing, fabric processing, dyeing auxiliaries, finishing range, garment finishing to products for printing.

Set forth below is a list of the products manufactured by our Company in the entire value chain of the textile industry.

Stage	Products application
Yarn production	• Yarn dyeing and finishing • Yarn lubricants • Performance enhancers
Man-made fibre production	• Lubricants • Water based and non-water based • Antistats • Antimicrobial
Thread production	• High performance thread lubricants • Water based and non-water based • Thread finishing
Digital printing	• Performance enhancers and base treatment for digital printing technology
Fabric processing	• Pre-treatment of cellulose • Comprehensive pre-treatment range of product based on complex combination of chemistry of wetting, sequestering and dispersant sustainable chemistry focus
Dyeing auxiliaries	• Full range of products based on dispersant, chelating agents and levelling agents
Finishing range	• Nano, Micro and Macro silicones • Block silicones • Special hydrophilic amido silicones • Cold water soluble Flakes • Easy care finishes • Rope opening • Cationics • Wax emulsions
Garment finishing	• Comprehensive pre-treatment range of product based on complex combination of chemistry polymer science and nano technology • Performance products • Enzymes and biochemical finishing range
Printing	• Thickeners, Binders, fixers, softeners • Base treatment for digital printing • Special aids

Distribution

Like in our home, personal care and performance chemical products category, we primarily follow a business-to-business or a business-to-business-to-consumer model for our textile specialty chemicals product category. In the textile specialty chemical products category, we sell our products through a network of over 109 distributors spread over 13 states in India and through 19 overseas distributors spread over 16 countries including the USA, Portugal, the UAE, Vietnam, Sri Lanka, South Korea, Mexico and Turkey. We also have four regional branch offices in India located in Delhi, Ludhiana, Ahmadabad and Surat for marketing of our products to the customers in the North and West Indian regions. Our regional branch office in Surat also has a R&D support laboratory which provides localized and expedient technical support to our customers in that region.

We have also set up international offices in Ho Chi Minh City, Vietnam and Dhaka, Bangladesh as these two are primary overseas markets for our textile chemical products. We also have our distributors in Bandung, West Java and Jakarta to expand our business operations in Indonesia.

Customers

In textile specialty chemicals category, we have served 387 customers in Fiscal 2018 and 416 customers in Fiscal 2020. We manufacture and supply textile specialty chemical products to 481 customers as on May 31, 2020 in over 19 countries. Some of the significant customers for our textile specialty chemical products category include Arvind Limited, Raymond Limited, Ashnoor Textile Mills Limited, Bhaskar Industries Private Limited, European Textile Chemical Corporation and Shahi Exports Private Limited.

In the textile specialty chemical products category, we sell our products to customers in the apparel and textile sector. Textile and apparel industry consumes a large amount of water and significantly contributes towards water pollution, air pollution as well as solid-waste pollution (*Source: F&S*). Accordingly, we focus on providing eco-friendly sustainable chemical solutions to our customers which either replaces the highly polluting chemicals being used by our customers or reduces the impact of environmental pollution by suitably modifying the overall industrial process. Set forth below is an instance where we were able to find an eco-friendly solution which reduced the impact on the environment in a significant way and were able to provide a sustainable replacement to the traditional soda with our Greensoda formulation without impacting the cost-competitiveness of our customers in the apparel and textile industries.

> Case study: Textile industry is undergoing a significant transformation as per the requirements of customers, environment and ecology. Textile wet processing is a highly water intensive operation. The various chemicals like starch, dye-stuffs, auxiliaries, alkalies, acids, detergents etc., that are used in the processing contaminate the water and cause pollution in terms of BOD, COD, pH, TDS, color, hardness etc. in the discharged effluent. As the stringent effluent norms are being implemented on the characteristics of discharged effluent, there is always a demand for chemicals or auxiliaries which can reduce the pollution load of the effluent in the textile manufacturing industry. Soda ash is the most commonly used alkali in reactive dyeing. However, dye fixation on cellulosic fibers is generally low. This results in a highly coloured dye house effluent which is not favourable from the environmental perspective. Also, the repeated recirculation of conventionally treated water causes a further increase in total dissolved solids during the process re-circulation and treatment stage. Recirculated water also affects performance of dyeing. Under these circumstances, our product, Greensoda 1000 Powder has been tested to be superior to conventional soda ash in dyeing of cotton fabric with reactive dyes. The quantity of the Greensoda is required in one-fourth of the traditional dosages compared to conventional soda ash which results in substantial reduction in total dissolved solids of dye bath as compared to that of soda ash. This results in much lower total dissolved solids in the effluent causing less challenges in the effluent treatment. Our Greensoda 1000 Powder is a concentrated alkali buffer with superior performance than soda ash, especially in reactive dyeing which has been one of the factors in establishing our Company as the largest manufacturer of textile specialty chemicals in India.

Animal Health and Nutrition

We have also diversified into the animal health and nutrition products category in 2011 and currently supply poultry feed supplements, pet grooming and pet treats including for weaning and infants. For our animal health and nutrition products, we sell our poultry feed products through a business-to-business model and our pet grooming and pet treat products to retail shop owners, in both cases through distributors.

Given we operate in a business-to-consumer model in this products category, we focus on offering a large bouquet of products for the pets. We have a wide range of poultry feed additives from enzymes to vitamin premix, trace minerals, acidifiers, disinfectants etc. We also supply shampoos for pets under the brand name '*Lozalo*' and foods for pets including for weaning, infants or adult pets.

We ourselves or through our distributors have started statutory registrations (with many products already registered) of our animal health and nutrition products in many countries like Nepal, Bangladesh, Myanmar, Vietnam, Philippines, Egypt, Kenya, Nigeria and Mauritius. To this purpose, we have also participated in many exhibitions in some of these countries.
Our revenue from sale of animal health and nutrition products category were approximately ₹ 569.02 million, ₹ 516.42 million and ₹ 293.86 million, respectively, in Fiscal 2020, Fiscal 2019 and Fiscal 2018, which was 9.48%, 10.00% and 9.83% of our total revenue from operations for the respective periods.
Production and manufacturing

Our animal health and nutrition products (except pet treats) are currently manufactured in our Silvassa Manufacturing Facility. Pet treats are manufactured through job-work arrangement.

Products

We currently provide a wide range of products in the animal health and nutrition category. We have a wide range of poultry feeds from enzymes to vitamin premix, trace minerals, acidifiers, disinfectants etc. We also supply shampoos for pets under the brand name '*Lozalo*' and foods for pets including for weaning, infants or adult pets.

Set forth below is a list of the products sold by our Company in the animal health and nutrition products category.

Industry	**Product application**
Poultry feed	• Enzymes • Vitamin premix • Trace minerals • Toxin binders • Acidifiers • Liquid essential oil • Liquid acidifiers • Disinfectants • Anticocci and AGP
Pet grooming	• *Lozalo* shampoo for dogs, cats and horse
Pet treats	• Dog and cat treats (chicken, meat, fish, milk, carrot, paneer)

Distribution

For our animal health and nutrition products, we sell our poultry feeds through a business-to-business model and our pet grooming and pet treat products to retail shop owners, through 37 distributors.

Customers

In animal health and nutrition products category, we have served 68 customers in Fiscal 2018 and 150 customers in Fiscal 2020. Some of the significant customers for our animal health and nutrition products category include Hitech Hatch Fresh Private Limited, Gokul Poultry Industries, Sarvottam Poultry Feed Supply Centre Private Limited and Sneha Farms Private Limited.

RAW MATERIALS

The primary raw materials for our specialty chemicals include acrylic acid, surfactants and silicone oil. All these raw materials are procured from the spot market.

Our biggest raw material for production of specialty chemicals is acrylic acid. The average price of acrylic acid in Fiscal 2019, Fiscal 2018 and Fiscal 2017 were USD 1,653, USD 1,725 and USD 1,878, per MT, respectively (*Source: F&S Report*). Our total cost of raw materials as percentage of total expenditure was 71.60%, 78.29% and 74.76% in Fiscal 2020, Fiscal 2019 and Fiscal 2018, respectively.

PRODUCTION

Silvassa Manufacturing Facility

We manufacture majority of our products in-house from the Silvassa Manufacturing Facility, located on 8.6 acres of land. This facility has an installed capacity of 120,000 MTPA.

The Silvassa Manufacturing Facility has flexible manufacturing capabilities for powders, granules and liquids which ensures that we can manufacture any of these at any point of time depending on the specific requirements of our customers. This facility also has a comprehensive range of testing as well as packaging capabilities.

It also has an effluent treatment plant to ensure zero liquid discharge. The Silvassa Manufacturing Facility has received numerous other accreditations and certificates by national and international organizations and agencies including ISO 9001:2015 and ISO 14045:2012. This facility also has 2,500 MT storage capacity for acid, alkali, oils and surfactants.

Dahej Manufacturing Facility

We are currently setting up another manufacturing facility at Dahej in Gujarat with a proposed installed capacity of 132,500 MTPA to expand our manufacturing capacity in line with our growth in overall business. The Dahej Manufacturing Facility will also enjoy a proximity to the deep-water, multi-cargo port of Dahej which is a cost and logistical advantage for our export products. The proposed state-of-the-art facility will be well-equipped with advanced technologies and will be commissioned in Fiscal 2021.

Set forth below are the details of the past, current and proposed installed capacity, production volume and capacity utilization of the Silvassa Manufacturing Facility and the Dahej Manufacturing Facility, as applicable.

	March 31, 2018	**March 31, 2019**	**March 31, 2020**	**March 31, 2021 (expected)**
A. *Silvassa Manufacturing Facility*				
Installed capacity	60,000 MTPA	80,000 MTPA	1,20,000 MTPA	1,20,000 MTPA
Production volume	44,512.54 MTPA	73,584.21 MTPA	86,581.20 MTPA	N.A.
Capacity utilization	74.19%	93.94%	82.46%	N.A.
B. *Dahej Manufacturing Facility*				
Installed capacity	N.A.	N.A.	N.A.	1,32,500 MTPA
Capacity utilization	N.A.	N.A.	N.A.	N.A.
Total Installed Capacity (A+B)	**60,000 MTPA**	**80,000 MTPA**	**1,20,000 MTPA**	**2,52,500 MTPA**

R&D and product innovation

As a specialty chemical manufacturing company, we are driven by technical innovation in formulations and applications of our products. Our R&D efforts are driven by customer needs, in terms of meeting specific needs that our direct customers communicate to us prior to us manufacturing our products. As a specialty chemical manufacturing company, we continuously monitor industry trends so as to ensure that our products continue to remain relevant and help our customers meet the evolving market demands.

Our qualified and experienced in-house R&D team focuses on the development of new products and formulations including collaborative product development with our customers to customize our products in line with customer expectations and end-user preferences, whilst simultaneously ensuring shorter lead-times and cost competitiveness. We have two R&D facilities – one within the Silvassa Manufacturing Facility and another one in Mumbai and we have a dedicated team of 22 employees in our R&D facilities. Our R&D covers all the three aspects of our products - synthesis research, formulation and development, and technical service. Our R&D facilities are recognized by the Department of Scientific and Industrial Research, Government of India and is also certified by a number of organizations including the Global Organic Textile Standards and the American National Standards Institute. Our regional branch office in Surat also has a R&D support laboratory which provides localized and expedient technical support to our customers in that region.

Our Promoters, Mr. Edward Menezes and Mr. Sunil Chari, have inculcated the culture of innovation. Our R&D team has continuously focused on manufacturing a wide range of eco-friendly sustainable products including Greenacid, Greensoda, Bioclay (a clay based product), Greenhydro 400 Pdr, Greenboost which are not only eco-friendly but also competitively priced.

Quality control and assurance

We operate at a high environmental, health, safety and quality standards in our operations. Our Silvassa Manufacturing Facility is modern and certified by numerous agencies including ISO 9001:2015, ISO 14001:2015, WHO-GMP (good manufacturing practices), FDA and Halal certified.

To ensure that our products adhere to the quality standards, we employ a stringent set of tests at every step of product development and the supply chain. We comply with global standards such as GOTS and ZDHC when it comes to ingredient selection for any formulation or synthesis products. We select and test our raw materials as per MRSL (manufacturing restricted substances list) provided by our key customers by periodically sending samples to third party laboratories as well as get certificates from our suppliers to ensure MRSL compliance. Each raw material is validated against the incoming certificate of analysis (CoA). In addition to the physical and chemical parameters, the products are also tested for long term stability under various ambient conditions of temperature and relative humidity to ensure integrity during storage and transport.

In-process quality control is employed by implementing critical control points in various manufacturing SOPs. In addition, each production process and log sheet is audited frequently to ensure it is being followed. Once manufactured, the products are tested on physical and chemical characteristics to ensure they meet the required specifications. They are also tested for microbial content to ensure no contamination occurs in the relevant products. After every batch the vessel is also subjected to a stringent high-pressure cleaning followed by chemical testing to ensure that no cross-contamination occurs between batches. Apart from the product, we also test packing material for drop strength, compression strength and leakage to ensure their integrity during storage and transit. We also employ an online system for traceability of the raw and packing material input of every batch that is manufactured.

We have a dedicated team of 14 professionals at the Silvassa Manufacturing Facility who ensure the continuous reliability and sustainability of our products in keeping with the values espoused by our company.

Logistics

We have arrangements with local as well as national carriers and transport companies for transportation of our products. All the transport operators that we use are within the close proximity of our Silvassa Manufacturing Facility. We have a total capacity to dispatch approximately 300 MT of specialty chemical products per day from our Silvassa Manufacturing Facility. Parcels and documents are dispatched through courier services.

Inventory management

We plan our inventory based on monthly forecasts which is based on current trends in sales along with feedback from our sales and marketing teams. We strictly follow the first-in-first-out (FIFO) system for consumption and dispatch of our finished products which means products manufactured first are sold/dispatched first. We also have alternate vendors for raw material purchases which helps us manage timely deliveries in case of emergency situations.

Our minimum stock level for raw materials, packaging material and finished goods is maintained based on the consumption numbers of the last quarter. We also analyze estimated lead time, delivery schedule, nature and speed of transport (e.g. fast mover or slow mover) while managing our inventory level at our manufacturing facilities and ware houses.

OUR COLLABORATION WITH BUZIL

Our Company has entered into a joint venture with Buzil, a reputed German company which offers solutions for institutional cleaning, hygiene and disinfection. The joint venture is called Buzil-Rossari Private Limited. We have also entered into the Technology License Agreement for manufacturing specialty chemicals for institutional cleaning, hygiene and disinfection which are primarily sold to institutional customers such as facility management services, hotels, airports, corporates, malls, hospitals and educational institutions. Buzil-Rossari is responsible for the marketing and sale of this product amongst our customers in India and other SAARC countries.

SALES AND MARKETING

We have a wide network of distributors through which we sell our products. Our pan-India distribution network has over 204 distributors as on May 31, 2020.

We primarily follow a business-to-business or a business-to-business-to-consumer model for our home, personal care and performance chemicals, and textile specialty chemical products categories. We have a wide network of over 22 distributors spread over 9 states for our home, personal care and performance chemicals in India. We also have four regional branch offices in Delhi, Ludhiana, Ahmadabad and Surat for marketing of our products to the customers in the North and West Indian regions. Our regional branch office in Surat also has a R&D support laboratory which provides localized and expedient technical support to our customers in that region. These regional branch offices also act as the localised point of contact for our textile specialised chemicals. Further, we have recently started selling certain of our end formulations in the home, personal care and performance chemicals to direct consumers under our private label or in partnership with digital market platforms such as Amazon.

In the textile specialty chemical products category, we sell our products through a network of over 109 distributors spread over 13 states in India and through 19 overseas distributors spread over 16 countries including in the USA, Portugal, the UAE, Vietnam, Sri Lanka, South Korea and Turkey. We have also set up international offices in Ho Chi Minh City, Vietnam and Dhaka, Bangladesh as these two are primary overseas markets for our textile chemical products. We also have our distributors in Bandung, West Java and Jakarta to expand our business operations in Indonesia.

For our animal health and nutrition products, we sell our products to retail shop owners through 37 distributors.

We work with different distributors depending on their geographical reach, market knowledge, product and customer awareness as well as understanding of each of the end-consumer industries for which each of our products are used. Our distribution network is aided by our capable in-house sales and marketing team which liaison with the distributors on a regular basis for customer inputs, market demands as well as positioning of our products vis-à-vis products of our competitors. Our focus remains to service our customers through technology, innovation and operational efficiency, by always striving to give sustainable yet competitively priced solutions. We believe that we have cultivated a customer centric nature within the organization that allows us to develop tailor made solutions for them. Our aim is to interact directly with our customers by taking part in trade shows, road shows and exhibitions, and our employees have been invited as speakers at various industry fora. We have been invited as industrial panelists and guest speakers to various industry forums to share our domain knowledge.

HUMAN RESOURCES

Our employees contribute significantly to our business operations. As of May 31, 2020, we had 365 permanent employees, all of whom were employed on a full-time basis in our operations. We place significant emphasis on the recruitment and retention of our personnel and provide continuous training for employees to achieve high quality skills. None of our employees are unionized. We have had no labour-related work stoppages and believe that our labour relations are good. In addition to salary and allowances, we provide our employees benefits which include medical reimbursements, yearly leave and retirement benefits. Given our manufacturing faculty is operational 24 hours a day; we have three shifts for our workers. We provide dedicated transport service to our women workers working in our manufacturing facility. Our success depends upon our ability to recruit, train and retain high quality professionals. We believe the relationship between our management and our employees has been cordial. We have not experienced any industrial disputes and further our attrition level has been commensurate with the industry standards.

INTELLECTUAL PROPERTY

The trademark of our Company is registered with the Registrar of Trademarks, Government of India under classes 1 and 3.

We also have 27 other trademarks which are currently operational in India, for which we have obtained valid registration certificates under the Trademarks Act. Further, we have also made applications for additional 24 operational trademarks seeking registration under the Trademarks Act, which are currently pending before the Registrar of Trademarks, Government of India.

For further information on the intellectual property of our Company, see ***"Government and Other Approvals***" on page 303. In addition, we are also aware that the use of our brands or similar trade names, technical know-how by third parties may result in confusion among consumers and loss of business. For further information, see "***Risk Factors - Our business depends on our ability to protect our patents, trademarks, our technical know-how and trade secrets against third parties. Our ability to compete effectively will be impaired if we fail to protect our brand, technical know-how and trade secrets.***" on page 30.

REAL ESTATE PROPERTY

Our Company's registered and corporate office premises, situated at 201 A - B, 2nd Floor, Akruti Corporate Park, L.B.S. Marg, next to GE Gardens, Kanjurmarg (W), Mumbai 400 079, India, is owned by us. Our Silvassa Manufacturing Facility at plot no. 10 and 11 of survey no. 91/1 f village Naroli, Union Territory of Dadar and Nagar Haveli, is also owned by us. However, our proposed Dahej Manufacturing Facility at plot no. D-3/26 at Dahej Industrial Estate, Gujarat is situated on a land leased by our Company for 99 years commencing from September 24, 2012.

Further, we have leased properties for our branch offices, for the purpose of warehousing and sale of Company's products, in nine cities in India.

INSURANCE

Our Company has various insurance policies in respect of our business, our assets such as stocks, machinery, buildings and furniture. We have fire and burglary insurance for our main offices and manufacturing facility in relation to our inventories, raw materials and office equipment. We also have fire and burglary insurance, with additional cover for calamities like earthquake, for our stocks maintained at various warehouses as well as stocks in trade and machinery insurance policies. We also have employee benefit policy, marine policy and commercial liability policy.

CORPORATE SOCIAL RESPONSIBILITY

We recognize our role and responsibility to deliver superior and sustainable value to our customers, business partners, employees and communities. We have adopted a Corporate Social Responsibility ("**CSR**") policy in compliance with the requirements of the Companies Act, 2013, and the Companies (Corporate Social Responsibility) Rules, 2014, as notified by the Central Government. In Fiscals 2020, 2019 and 2018, we spent ₹ 14.35 million, ₹ 4.29 million and ₹ 3.31 million, respectively, on CSR activities. We have implemented several CSR initiatives on our own, with employee volunteers as well as in partnership with implementing agencies. Such social welfare initiatives were mainly undertaken in the areas of rural development, women empowerment and livelihood opportunities, research and development for upliftment of society, education and skill development, childcare and healthcare facilities, water conservation and environment and disaster relief and rehabilitation. We passionately engage with community members to understand their needs and requirements. Accordingly, we disburse funds and interact with the NGOs to ensure that the needs of the community are met with. We support the initiatives based on the community's needs identified by the NGOs.

Our CSR teams closely monitor the progress of various activities at different site locations to ensure the impact of these initiatives. Our senior management also interacts with the CSR teams through regular updates and site visits. Our prime objective is to give back to society in a way that brings positive changes and transforms the lives of the weaker sections in the best possible ways.

COMPETITION

The market for home, personal care and performance chemicals in India is becoming increasingly sophisticated. Market is characterized by strong presence of multinational companies such as Wacker AG, Merck, BASF and Croda. The major Indian companies producing active ingredients are Aarti Industries, Galaxy Surfactants and Atul Limited. Many Indian players, especially the small and midsized companies, are largely present in inactive ingredients which have lower margins compared to active ingredients. In the institutional cleaning chemicals, some of our competitors are Diversey India Private Limited, Schevaran Laboratories Private Limited, Satol Chemicals, Ecolab India, Haylide Chemicals Private Limited, Altret Industries Private Limited, Croda India Company Private Limited, and BASF India Limited.

The market for textile specialty chemicals in India is highly fragmented and comprises over 500 large and small players. In India, large majority of textiles manufactured and sold is unorganized, catering to price sensitive customers. This large unbranded market is a target for the unorganised textile chemical manufacturers. Apart from manufacturers there are many blenders and resellers present in the market, with the total count of these companies exceeding 800. Fragmentation of the market can also be attributed, in part, to the weak enforcement of environmental norms for small players, as well as concessions provided by the Government of India. In the organized textile specialty chemicals sector, some of our competitors include Archroma, CHT, Rudolf, Croda international, Huntsman Corporation Fineotex Chemical, Resil Chemicals, Sarex Chemicals Dai-ichi Karkaria, Britacel Silicones, Indokem Limited.

In the animal, health and nutrition products category, we compete with Cargill India Private Limited, Zydus AH, a division of Cadila Healthcare Limited, Bayer Animal Health, Boehringer Ingelheim Animal Health, Ceva Sante Animale, Sequent Scientific, Elanco, Merial and Virbac. (*Source: F&S Report*).

KEY REGULATIONS AND POLICIES IN INDIA

The following is an overview of certain sector specific relevant laws and regulations in India, which are applicable or may be applicable to the operations of our Company and its Subsidiaries. The description of laws and regulations set out below may not be exhaustive and is only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of the Indian law and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions.

Laws in relation to our business

The Factories Act, 1948 (the "Factories Act")

The term 'factory', as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act requires the 'occupier' of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the "occupier" of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers' health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with either imprisonment or fine or both.

The Drugs and Cosmetics Act, 1940 (the "DC Act") and Drugs and Cosmetics Rules, 1945 (the "DC Rule")

The DC Act regulates a range of activities, including import, manufacture, distribution and sale of drugs. Record maintenance requirements have also been prescribed under the DC Act. The DC Act also provides for a framework of inspection of premises from which drugs are sold by the relevant authorities and provides for penalties for non-compliance with the provisions thereof. The DC Act, read with the DC Rules, mandates that licenses will need to be obtained from the jurisdictional drug control office for stocking, sale and distribution of drugs on a wholesale or retail basis. The nature of license determines the class of drugs (set out in the Schedules to the DC Act) that may be stocked, sold or exhibited by a pharmacy or hospital. The DC Rules also prescribe the drugs for the import of which a licence is required, and prescribe the form and conditions of such licences; the authority empowered to issue the same and the fees payable in relation to such licenses. The DC Rules provide for the cancellation or suspension of such licence in any case where any provisions or rule applicable to the import of drugs and cosmetic is contravened or any of the conditions subject to which the licence is issued is not complied with.

The Drugs (Control) Act, 1950 ("DC Act")

The DC Act was enacted to provide for the control of sale, supply and distribution of drugs. The DC Act empowers the Central Government to inter alia declare any drug to be a drug to which this act shall apply and to fix maximum prices and maximum quantities thereof, which may be held or sold, by a dealer or producer. The DC Act also provides for penalties arising due to contraventions of any of the provisions of this Act or of any direction made under authority conferred by this Act, which shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.

The Drugs (Prices Control) Order, 2013 ("DPCO 2013")

In May 2013, the Central Government in exercise of its powers under the Essential Commodities Act, 1955 ("**ECA**") issued the DPCO. The DPCO provides that the government may, in order to achieve adequate availability and to regulate the distribution of drugs, in cases of emergency or in the public interest, direct any manufacturer of any active pharmaceutical ingredient or bulk drug or formulation to increase the production and to sell such active pharmaceutical ingredient or bulk drug to such other manufacturer(s) of formulations and to direct formulators to sell the formulations to institutions, hospitals or any agency as the case may be.

The formulae for calculation of ceiling prices and retail prices of drug formulation have been laid down by the DPCO. It also provides the list of certain price - controlled drugs and the penalty for contravention of the DPCO has been provided under Section 7 of the ECA. The DPCO provides that when an existing manufacturer of a drug with dosages and strengths as specified in National List of Essential Medicines launches a new drug, such existing manufacturer is required to apply for prior price approval of such new drug from the government.

The DPCO prescribes certain instances in which case the provision of the DPCO will not be applicable, for instances, in the event a manufacturer produces a new drug patented under the Indian Patent Act, 1970 through a product patent which has been developed through indigenous research and development, the DPCO will not be applicable to such drug for a period of five years from the date of commencement of its commercial production in the country.

The Petroleum Act, 1934

The Petroleum Act, 1934 was passed to consolidate and amend the laws relating to the import, transport, storage, production, refining and blending of petroleum. Under the Petroleum Rules, 2002, any person intending to store furnace oil/petroleum, of such class and in such quantities, otherwise than under a license shall take the approval of the Chief Controller before commencing storage.

The Legal Metrology Act, 2009 (the "Legal Metrology Act") and Legal Metrology (Packaged Commodities) Rules, 2011 (the "Packaged Commodities Rule")

The Legal Metrology Act replaces the Standard of Weights and Measures Act, 1976 and the Standard of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standard weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Packaged Commodities Rule were framed under section 52(2) (j) and (q) of the Legal Metrology Act which lays down specific provisions applicable to packages intended for retail sale, whole sale and for export and import and also regulate pre-packaged commodities in India, *inter alia* mandating certain labelling requirements prior to sale of such commodities. Legal Metrology (Packaged Commodities) (Amendment) Rules issued on June 23, 2017 have introduced important amendments to the Packaged Commodity Rules. The key provisions of the Packaged Commodity Amendment Rules are regarding the size of declarations on the label, declaration on e-commerce platforms, declaration of name and address of the manufacturer and fine for contravention.

The Food Safety and Standards Act, 2006 (the "FSS Act") and the Food Safety and Standards Rules, 2011 (the "FSS Rules")

The FSS Act was enacted with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India ("**FSSAI**"), for laying down science based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, and to ensure availability of safe and wholesome food for human consumption. The FSS Act also sets out requirements for licensing and registration of food businesses, general principles of food safety, responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by the Food Safety Appellate Tribunal. Further, the FSS Rules lays down detailed standards for various food products, which include, among others, specifications for ingredients, limit of quantities of contaminants, tolerance limits of pesticide drugs residue, biological hazards and labels. For enforcement under the FSS Act, the 'commissioner of food safety', 'food safety officer', and 'food analyst' have been granted with detailed powers of seizure, sampling, taking extracts, and analysis under the FSS Rules. The FSSAI has also framed, among others, the following food safety and standards regulations in relation to various food products and additives:

- *Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011*
- *Food Safety and Standards (Packaging and Labelling) Regulations, 2011*
- *Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011*
- *Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011*
- *Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011*
- *Food Safety and Standards (Packaging) Regulations, 2018*

The Explosives Act, 1884 (the "Explosives Act")

The Explosives Act is a comprehensive law which regulates by licensing for the manufacturing possession, sale, transportation, export and import of explosives. As per the definition of 'explosives' under the Explosives Act, any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect shall fall under the Explosives Act. The Central Government may, for any part of India, make rules consistent with this act to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use sale, transport, import and export of explosives, or any specified class of explosives. Extensive penalty provisions have been provided for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Explosives Act.

Indian Boilers Act, 1923 (the "Boilers Act") and Indian Boiler Regulations, 1950 (the "Boilers Regulations")

The Boilers Act seeks to regulate *inter alia,* the manufacture, possession and use of boilers. Under the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use, by the Inspector so appointed by the relevant State Government. In the event of the use of boilers in non-compliance with the Boilers Act, a fine may be imposed on the owner of such boiler. The Boilers Regulations provide for *inter alia,* standard requirements with respect to material, construction, safety and testing of boilers.

The Public Liability Insurance Act, 1991 (the "PLI Act")

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under the PLI Act mandate that the employer has to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

Environmental Legislations

Environment Protection Act, 1986 (the "EP Act") and Environment Protection Rules, 1986 (the "EP Rules")

The EP Act has been enacted for the protection and improvement of the environment. EP Act empowers the government to take measures to protect and improve the environment such as by laying down standards for emission and discharge of pollutants, providing for restrictions regarding areas where industries may operate. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations.

Air (Prevention and Control of Pollution) Act, 1981(the "Air Act")

The Air Act was enacted to provide for the prevention, control and abatement of air pollution in India. It is a specialised piece of legislation which was enacted to take appropriate steps for the preservation of natural resources of the earth, which among other things include the preservation of the quality of air and control of air pollution. The Air Act stipulates that no person shall, without prior written consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area, as notified by the state pollution control board.

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

The Water Act was enacted to control and prevent pollution and for maintaining or restoring of wholesomeness of water in the country. This is the first law passed in India whose objective was to ensure that the domestic and industrial pollutants are not discharged into rivers, and lakes without adequate treatment. The reason is that such a discharge renders the water unsuitable as a source of drinking water as well as for the purposes of irrigation and support marine life. In order to achieve its objectives, the Pollution Control Boards (PCBs) at Central and State levels were created to establish and enforce standards for factories discharging pollutants into water bodies. The Water Act aims to prevent and control water pollution and to maintain or restore water purity and any person intending to establish any industry, operation or process or any treatment and disposal system which is likely to discharge sewage or other pollution into a water body is required to obtain prior consent of the relevant state pollution control board.

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

The Hazardous Waste Rules are to be read with the EP Act. The Hazardous Waste Rules ensure resource recovery and disposal of hazardous waste in environmentally sound manner. The term "hazardous waste" has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an "occupier". Furthermore, in terms of the Hazardous Waste Rules, the occupier has been, *inter alia*, made responsible for safe and environmentally sound handling of hazardous wastes generated in his establishment and shall require license/authorisation for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste from the concerned state pollution control board.

The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996 (the "Chemical Accidents Rules")

The Chemical Accidents Rules, formulated pursuant to the provisions of the EPA, seek to manage the occurrence of chemical accidents, by *inter alia*, setting up a central crisis group and a central crisis alert system. The functions of the central crisis group *inter alia* include, (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans. The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 ("HCR Rules") The HCR Rules are formulated under the Environment (Protection) Act, 1986. The HCR Rules are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involved a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority. Furthermore, an occupier shall not undertake any industrial activity unless he has submitted a written report to the concerned authority containing the particulars specified in the schedule to the HCR Rules at least three months before commencing that activity or before such shorter time as the concerned authority may agree.

Regulations Related to Foreign Trade

The foreign policy of India is governed and regulated by the Foreign Trade (Development and Regulation) Act, 1992 (the "**Foreign Trade Act**"). The Foreign Trade Act has empowered the Central Government to make provisions for the development as well as regulation of foreign trade by the way of facilitating imports into as well as augmenting exports from the country and in all the other matters related to foreign trade. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The Foreign Trade Act provides for certain appointments especially that of the Director-General to advise the Central Government in formulating import and export policy and to implement the same. Further, the act commands every importer as well as exporter to obtain a code number called the Importer Exporter Code Number (IEC) from the Director-General or the authorized officer. The act provides the balancing of all the budgetary targets in terms of imports and exports. The principal objectives here include the facilitation of sustain growth as to the exports of the country, the distribution of quality goods and services to the domestic consumer at internationally competitive prices, stimulation of sustained economic growth by providing access to essential raw materials as well as enhancement of technological strength, industry as well as services and improvement of their competitiveness to meet all kinds of requirement of the global markets.

Tax Related Legislations

Taxation statutes such as the Income-tax Act, 1961, the Customs Act, 1962 and the relevant goods and services tax legislation are applicable as to any other company.

Income-tax Act, 1961

Income-tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its "Residential Status" and "Type of Income" involved. U/s 139(1) every Company is required to file its Income tax Return for every Previous Year by 31st

October of the Assessment Year .Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

GST Laws

GST Law comprising (i) Central Goods and Services Tax Act, 2017 (ii) State Goods and Services Tax Act, 2017 as notified by respective States, (iii) Union Territory Goods and Services Tax Act, 2017, (iv) Integrated Goods and Services Tax Act, 2017 including Integrated Goods and Services Tax (Extension to Jammu and Kashmir Act, 2017), (v) Goods and Services Tax (Compensation to States) Act, 2017 (hereinafter referred as CGST, SGST, UTGST, IGST and CESS respectively at the GST portal) and (vi) Rules, Notifications, Amendments and Circulars issued under the respective Acts.

Labour Law Legislations

The Code on Wages, 2019 (the "Wage Code")

The Wage Code was introduced in the Lok Sabha on July 23, 2019 and was eventually passed in the Rajya Sabha on August 2, 2019. It received assent from the President on August 8, 2019. The Wage Code regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976. It will be the first Code to become an Act out of the four Codes: Code on Wages; Industrial Relations; Social Security and Occupational Safety, Health and Working Conditions which Ministry of Labour and Employment has formulated.

The Contract Labour (Regulation and Abolition) Act, 1970 (the "CLRA Act")

The CLRA Act has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA Act applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA Act vests the responsibility on the principal employer of an establishment to which the CLRA Act applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The principal employer is under an obligation to provide various facilities as provided under the CLRA Act, within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

Shops and Establishments legislations in various states

Under the provisions of local shops and establishment legislations applicable in the states in which establishments are set up, establishments are required to be registered under the respective legislations. These legislations regulate the condition of work and employment in shops and commercial establishments and generally prescribe obligations in respect of, among others, registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

Other Labour Law Legislations

Various other labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- *Workmen's Compensation Act, 1923;*
- *The Child Labour (Prohibition and Regulation) Act, 1986;*
- *The Employees' Compensation Act, 1923;*
- *The Employees' State Insurance Act, 1948;*
- *The Employee's Provident Fund and Miscellaneous Provisions Act, 1952;*
- *The Maternity Benefit Act, 1961;*
- *The Payment of Gratuity Act, 1972;*
- *The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013;*
- *Factories Act, 1948;*
- *Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;*
- *Industrial Disputes Act, 1947;*

- *The Employees Provident Fund Scheme, 1952;*
- *Public Liability Insurance Act, 1991;*

Other Applicable Laws

Bureau of Indian Standards Act, 2016

The Bureau of Indian Standards Act, 2016, has been brought into force with effect from October 12, 2017, repealing and replacing the Bureau of Indian Standards Act, 1986. The BIS Act establishes Bureau of Indian Standards (BIS) as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity Further, the BIS Act also provides for repair or recall, including product liability of the products bearing a standard mark but not conforming to the relevant Indian Standard.

Intellectual Property Laws

The Copyright Act, 1957 (the "Copyright Act") protects literary and dramatic works, musical works, artistic works including photographs and audio-visual works (cinematograph films and video). The Copyright Act specifies that for the purposes of public performance of Indian or international music, a public performance license must be obtained. All those who play pre-recorded music in the form of gramophone records, music cassettes or compact discs in public places have to obtain permission for sound recordings. The Trade Marks Act, 1999 (the "Trade Marks Act") provides for application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying trademarks. Under the Indian Patents Act, 1970 (the "Patent Act") term invention means a new product or process involving an inventive step capable of industrial application. A patent under the Patent Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Promoters, commenced the specialty chemicals business on March 6, 2003, as a partnership firm in the name of 'Rossari Labtech', having Mr. Edward Menezes and Mr. Sunil Chari as partners. Subsequently, on December 5, 2003, the name of the partnership firm was changed to 'Rossari Biotech', and the business of the partnership was changed to that of manufacturing, purchase, sale, import, export and otherwise to deal in enzymes, textile auxiliaries, applications and products of biotechnology for textiles, leather, paper, construction materials, pharmaceuticals etc. Further, on January 17, 2004, RBIPL was admitted as partner in Rossari Biotech. On April 1, 2009, Ms. Anita Menezes, Ms. Usha Chari, Ms. Jyotishna Chari and late Ms. Irene Menezes were admitted as partners in Rossari Biotech and on June 15, 2009, Mr. Mikhail Menezes was admitted as a partner in Rossari Biotech.

The partners of the firm entered into a deed of partnership dated June 22, 2009 (the "**Conversion Deed**") and declared themselves as a joint stock company in the name of 'Rossari Biotech Limited'. Pursuant to the Conversion Deed, the firm was converted into a public limited company as 'Rossari Biotech Limited' under the Companies Act, 1956, and was registered with the RoC on August 10, 2009, and received the certificate of commencement of business on August 13, 2009.

Changes in the Registered and Corporate Office

At the time of incorporation of our Company, our registered office was located at 401, Omega, Main Street, Hiranandani Gardens, Powai, Mumbai, 400 076, India. Details of subsequent changes in the registered and corporate office of our Company are as set out below:

Effective date	Details of change	Reasons for change
March 16, 2010	The address of the registered office of our Company was changed from 401, Omega, Main Street, Hiranandani Gardens, Powai, Mumbai, 400 076, India to 201 A - B, 2nd Floor, Akruti Corporate Park, L.B.S. Marg, Next to GE Gardens, Kanjurmarg (W), Mumbai, 400 079, India	Due to administrative convenience

Our main objects

The main objects of our Company as contained in our MoA are:

1. *To carry on the business of manufacture, purchase, sale, import, export and otherwise deal in enzymes, textile auxiliaries, applications and products of biotechnology for textiles, leather, paper, construction materials, pharmaceuticals*.

Amendments to the Memorandum of Association

Set out below are the amendments to the Memorandum of Association of our Company in the last 10 years:

Date of shareholders' resolution	Details of amendment
March 12, 2010	The authorized share capital of our Company was increased from ₹ 5,000,000 divided into 500,000 equity shares of ₹ 10 each to ₹ 50,000,000 divided into 5,000,000 equity shares of ₹ 10 each.
November 19, 2019	(i) Pursuant to a special resolution dated November 19, 2019, 5,000,000 equity shares of face value of ₹ 10 each was split into 25,000,000 Equity Shares of face value of ₹ 2 each. Accordingly 4,400,000 paid-up equity shares of face value of ₹ 10 each was split into 22,000,000 Equity Shares of face value of ₹ 2 each. (ii) The authorized share capital of our Company was increased from ₹ 50,000,000 divided into 5,000,000 equity shares of ₹ 10 each to ₹ 120,000,000 divided into 60,000,000 equity shares of ₹ 2 each.

Major events and milestones

The table below sets forth some of the major events in the history of our Company.

Calendar Year	Events and Milestones
2003	Our Promoters entered into a partnership firm to start the manufacturers of specialty chemicals and industrial enzymes in India
2004	Established our first manufacturing facility at Silvassa
2009	Conversion of partnership firm into our Company
2009	Incorporation of our Company
2009	Obtained recognition for in-house R&D unit from the Department of Scientific and Industrial Research
2010	Forayed into animal health and nutrition products
2013	Forayed into HPPC products
2014	Our Promoters entered into a Joint Venture with BUZIL-WERK Wagner GmbH & Co. KG to form Buzil Rossari Private Limited
2015	Lease granted by GIDC to our Company for setting up our manufacturing facility at Dahej
2017	The Food Safety Management System of our Silvassa Manufacturing Facility has been assessed and found to conform to the requirements of ISO 9001:2015
2017	The Food Safety Management System of our Silvassa Manufacturing Facility has been assessed and found to conform to the requirements of ISO 14001:2015
2018	Entered into an exclusive purchasing agreement with Hindustan Unilever Limited
2020	Completion of the Pre-IPO Placement

Time/cost overrun

We have not experienced any instances of time / cost overrun in our business operations.

Awards and Accreditations

Calendar Year	Awards and accreditations
2009	*The erstwhile Hon'ble Union Finance Minister Mr. Pranab Mukherjee awarded "Corp EXCEL 2008 – National mSME" form a list of 27000 companies*
2010	*Frost & Sullivan awarded "Customer Value Enhancement for Industrial Enzymes Market"*
2011	*The Council for Fair Business Practices awarded "CFBP – Jamnalal Bajaj Uchit Vyavahar Puraskar for Fair Business Practices"*
2017	*The India SME Forum awarded at the India SME 100 Awards for "scoring in the top 100 in the overall evaluation of Financial & Non - Financial Parameters amongst 33102 nominations"*
2018	*Arvind Limited awarded "Star Performer Award 2018" in the Dye & Chemicals Category*

Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

As on the date of this Prospectus, there have been no defaults or rescheduling of borrowings with financial institutions in respect of our current borrowings from lenders. Our Company allotted 3,139,000 Equity Shares on March 31, 2011, pursuant to conversion of loan extended to our Company in accordance with Section 81 (1) (a) of the Companies Act, 1956. For details of the allotment see "***Capital Structure - Notes to Capital Structure – Equity Share Capital History of our Company***" on page 71.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any merger, amalgamation or any revaluation of assets in the preceding 10 years.

Shareholders' arrangement

Letters issued by the Company to all investors which have been allotted Equity Shares pursuant to the Pre-IPO Placement ("Pre-IPO Investors"), each dated February 27, 2020 (collectively referred as "Pre-IPO Letters")

Pursuant to the Pre-IPO Placement, the Company has issued the Pre-IPO Letters all the Pre-IPO Investors. As per the terms of the Pre-IPO Letters, the Company has undertaken that if its Equity Shares are not listed on any recognized stock exchange in India within a period of 12 months from February 20, 2020, each Pre-IPO Investor shall have the option to provide a written request ("**Buy-Back Notice**") to the Company to buy-back their respective Equity Shares allotted pursuant to the Pre-IPO Placement within a period of seven days, that is, by February 27, 2021 (i.e. the date of expiry of the 12 month period from February 20, 2020). On receipt of a Buy-

Back Notice, the Company shall have an obligation to buy-back the Equity Shares (subject to applicable laws) at a mutually agreed price, within a period of 60 days from the date of the Buy-Back Notice. The Company's obligation to buy-back the Equity Shares allotted to the Pre-IPO Investors shall automatically terminate on and from the date of listing of the Equity Shares on a recognized stock exchange in India.

Other Material Agreements

The joint venture agreement dated January 16, 2014 entered between our Promoters and BUZIL-WERK Wagner GmbH & Co. KG, and as amended by an addendum cum deed of adherence dated October 17, 2018 entered between our Company, our Promoters, BUZIL-WERK Wagner GmbH & Co. KG and Buzil Rossari (the "Joint Venture Agreement")

Buzil Rossari was incorporated on December 26, 2013, as a private limited company under the Companies Act, 1956, by our Promoters and Buzil, with our Promoters having carried 30% interest each and Buzil having 40% carrying interest. Our Promoters and Buzil subsequently entered into a joint venture agreement dated January 16, 2014 for the purposes of manufacturing institutional cleaning, hygiene and disinfection products. Subsequently, *vide* an addendum cum deed of adherence dated October 17, 2018, between our Promoters, Buzil, Buzil Rossari and our Company, our Promoters have transferred their aggregate shareholding in Buzil Rossari to our Company.

The Joint Venture Agreement sets out the terms and conditions that shall govern the relationship between the our Company and Buzil (the "**JV Partners**"), and shall govern the business of manufacturing specialty chemicals for institutional cleaning, hygiene and disinfection which are primarily sold to institutional customers such as facility management services, hotels, airports, corporates, malls, hospitals and educational institutions. Our Company shall provide its expertise in relation to the operations including its expertise in relation to the sales and marketing of the products manufactured by Buzil Rossari. For details of the intellectual property of our Company see "***Our Business – Intellectual Property***" on page 164.

Pursuant to the Joint Venture Agreement, Buzil Rossari shall be supervised and managed by a board which shall comprise of four directors, where the JV Partners are entitled to nominate two directors each on to the board of directors of Buzil Rossari.

Deed of Assignment of Intellectual Property Rights between Dr. Rajesh Kamble and our Company

Our Company and Dr. Rajesh Kamble (the "**Assignor**" and together with the Company, the "**Parties**"), entered into an asset transfer agreement dated October 16, 2018 (the "**Asset Transfer Agreement**") for the transfer of all rights, title and interest in Lozalo International to our Company. The Assignor, the sole erstwhile proprietor of Lozalo International, was the absolute owner of all the rights, title and interest in the intellectual property in connection with the business of manufacturing, sale and marketing of the veterinary cosmetic products by Lozalo International ("**Intellectual Property Rights**"), and the owner of all rights, title and interest in certain (i) unprotected brand names in respect of certain veterinary cosmetic products, together with the goodwill of the business connected with the trade names, (ii) certain registered trademarks in respect of certain veterinary cosmetic products and (iii) trademarks for which appropriate applications have been filed for registration with the trade mark registry (altogether the "**Marks**").

Pursuant to the Asset Transfer Agreement, and for the complete vesting of all rights and interest in the Intellectual Property Rights and the Marks, the Parties entered into (i) a deed of assignment on October 16, 2018 (the "**Deed of Assignment**"), pursuant to which the Assignor has irrevocably and unconditionally assigned, conveyed and transferred all the rights, title and interest in certain Intellectual Property Rights including all intellectual property rights and interest owned and developed in connection with the brand 'Lozalo', throughout the world to our Company, and (ii) a deed of assignment dated October 16, 2018 ("**Deed of Assignment of Trademarks**") for the assignment and transfer of the Marks to our Company. The Assignor has also irrevocably executed a power of attorney ("**POA**"), thereby nominating and appointing our Company to do all such acts and deeds as is necessary or appropriate to give full effect to the assignment of the Marks.

Share Subscription and Shareholders Agreement dated June 26, 2020 executed by and among Rossari Personal Care, Fairplum Private Limited ("FPL"), VSTAR Family Trust ("VSTAR"), Mr. Rupesh Agarwal and our Company (the "SSSHA")

Rossari Personal Care is currently the wholly owned subsidiary of our Company. Pursuant to the SSSHA, FPL and VSTAR will subscribe to 150,000 equity shares and 50,000 equity shares of Rossari Personal Care, respectively on the closing date and upon fulfilment of the conditions precedent under the terms and conditions of the SSSHA. Upon consummation of the closing, our Company, FPL and VSTAR will hold 60% (along with its nominees), 30% and 10% of the total share capital of Rossari Personal Care, respectively.

Pursuant to the SSSHA, our Company shall cause the manufacture of the personal care products, details of which are specified in the SSSHA, at our manufacturing facility by deploying our workforce, on an arm's length basis in accordance with the transfer pricing principles. Further, our Company may provide support services i.e., human resources team, sales team, research and development, quality and assurance facility and any such service as may be reasonably requested by the Rossari Personal Care to operate the business on an arms' length basis. Our Company further agreed to license the intellectual property rights to the Company on a revocable and non-exclusive basis and for no additional monetary consideration for carrying on its business. Pursuant to the SSSHA, Mr. Rupesh Agarwal shall have the authority to control and be responsible for the overall affairs of Rossari Personal Care, drive the business, formulate strategies and take business decisions in relation to Rossari Personal Care.

Holding Company

As on the date of this Prospectus, our Company does not have a holding company.

Subsidiaries of our Company

As on the date of this Prospectus, our Company has two Subsidiaries, details of which are provided below.

1. *Rossari Personal Care Products Private Limited ("Rossari Personal Care")*

Rossari Personal Care was initially incorporated as "Neutron Impex Private Limited" under the Companies Act, 1956 as a private limited company and the certificate of incorporation dated on September 21, 1999 was issued by the RoC. The name of the company was changes to "Rossari Personal Care Products Private Limited" pursuant to a fresh certificate of incorporation dated May 6, 2020 granted by the RoC. Its CIN is U24110MH1999PTC121848 and its registered office is located at 201 A - B, 2nd Floor, Akruti Corporate Park, L.B.S. Marg, Next to GE Gardens, Kanjurmarg (W), Mumbai, 400 079, India. Rossari Personal Care is in the business of manufacturers, exporters and importers of speciality chemicals, dyes, printing inks for leisure paper and textile industries.

The authorized share capital of Rossari Personal Care is ₹ 5,000,000 divided into 500,000 equity shares of ₹ 10 each. It's issued, subscribed and paid-up equity share capital is ₹ 3,000,000 divided into 300,000 equity shares of ₹ 10 each. Our Company currently directly holds 100% of the issued, subscribed and paid-up equity share capital of Rossari Personal Care.

There are no accumulated profits or losses of Rossari Personal Care not accounted for by our Company.

2. *Buzil Rossari Private Limited ("Buzil Rossari")*

Buzil Rossari was incorporated under the Companies Act, 1956 on December 26, 2013 as a private limited company. Its CIN is U24297MH2013PTC251413 and its registered office is located at 201 A - B, 2nd Floor, Akruti Corporate Park, L.B.S. Marg, Next to GE Gardens, Kanjurmarg (W), Mumbai, 400 079, India. Buzil Rossari is in the business of manufacture, purchase, sale, import, export, job work, consultancy and otherwise deal in cleaning chemicals, housekeeping products, chemicals for food & hygiene, sanitizers, disinfectants.

The authorized share capital of Buzil Rossari is ₹ 79,000,000 divided into 7,900,000 equity shares of ₹ 10 each. It's issued, subscribed and paid-up equity share capital is ₹ 73,215,330 divided into 7,321,533 equity shares of ₹ 10 each. Our Company currently holds (directly and through its nominee) 60 % of the issued, subscribed and paid-up equity share capital of Buzil Rossari. Our Board by its resolution dated June 11, 2020 has approved its acquisition of balance stake in Buzil Rossari.

There are no accumulated profits or losses of Buzil Rossari not accounted for by our Company.

Joint ventures of our Company

As on the date of this Prospectus, our Company has one joint venture pursuant to the Joint Venture Agreement. For details of the joint venture of our Company, see "***- Subsidiaries of our Company - Buzil Rossari Private Limited ("Buzil Rossari")***" and "***Material Contracts and Documents for Inspection***" on page 176 and 358.

Significant strategic and financial partnerships

Except as disclosed in this Prospectus, our Company does not have any significant strategic or financial partners as on the date of this Prospectus.

Key terms of other subsisting material agreements

Except as disclosed in "- ***Other Material Agreements***" on page 175, our Company has not entered into any subsisting material agreements other than in the ordinary course of business of our Company.

Agreements with Key Managerial Personnel, Director or any other employee

There are no agreements entered into by our Key Managerial Personnel or Director or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Guarantees given by our Promoters

Except as disclosed below, as on the date of this Prospectus, no guarantee has been issued by our Promoter, offering its shares in terms of the Offer for Sale.

(i) a personal guarantee issued by our Promoters dated April 29, 2019 in favour of Hongkong and Shanghai Banking Corporation Limited; (ii) a guarantee agreement dated September 5, 2019 between our Promoters and the State Bank of India; (iii) a deed of guarantee issued by Mr. Edward Menezes dated October 15, 2019, in favour of Axis Bank Limited; (iv) a deed of guarantee dated October 21, 2019 issued by Mr. Sunil Chari in favour of Axis Bank Limited; (v) a supplementary letter of continuing guarantee dated September 13, 2019 issued by the Promoters in favour of HDFC Bank Limited.

OUR MANAGEMENT

Under our Articles of Association, our Company is authorised to have a minimum of three and maximum of 15 Directors. As on the date of this Prospectus, we have seven Directors on our Board, comprising two executive Directors and five Independent Directors. The Executive Chairman of our Board, Mr. Edward Menezes, is an executive Director. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 and the SEBI Listing Regulations.

Our Board

The following table sets forth details regarding our Board as on the date of this Prospectus.

Name, date of birth, designation, address, occupation, nationality, term, period of directorship and DIN of our Directors	Age (years)	Other Directorships
Mr. Edward Menezes *Date of birth:* October 31, 1960 *Designation:* Executive Chairman *Address:* 601 Gem House, Lake Boulevard Street, Near Panchkutir, Hiranandani Gardens, Powai, Mumbai 400 076, Maharashtra, India *Occupation*: Business *Nationality:* Indian *Term:* Five years with effect from October 1, 2019 (Liable to retire by rotation) *Period of directorship:* Since the incorporation of our Company *DIN:* 00149205	59	*Indian Companies* 1. Rossari Biotech (India) Private Limited; 2. Rossari Speciality Chemicals Private Limited; 3. Rossari Personal Care Products Private Limited; 4. Suisse Silicon Specialties Private Limited; 5. Buzil Rossari Private Limited; 6. Rossari Hydra Chemicals Private Limited; and 7. Rossari Manuchar (India) Private Limited; *Foreign Companies* Nil
Mr. Sunil Chari *Date of birth:* December 5, 1965 *Designation:* Managing Director *Address:* 27A & 27B, Eden Bunglow CHS LTD., Hiranandani Gardens, Powai, Mumbai 400 076, Maharashtra, India *Occupation*: Business *Nationality:* Indian *Term:* Five years with effect from October 1, 2019 (Liable to retire by rotation) *Period of directorship:* Since the incorporation of our Company *DIN:* 00149083	54	*Indian Companies* 1. Rossari Biotech (India) Private Limited; 2. Rossari Speciality Chemicals Private Limited; 3. Rossari Personal Care Products Private Limited; 4. Suisse Silicon Specialties Private Limited; 5. Buzil Rossari Private Limited; 6. Rossari Hydra Chemicals Private Limited; and 7. Rossari Manuchar (India) Private Limited. *Foreign Companies* Nil
Mr. Goutam Bhattacharya *Date of birth:* November 12, 1947 *Designation:* Independent Director	72	*Indian Companies* Nil *Foreign Companies*

Name, date of birth, designation, address, occupation, nationality, term, period of directorship and DIN of our Directors	Age (years)	Other Directorships
Address: 18, Green Gardens W.T. Patil Maarg, Mumbai 400 088, Maharashtra, India *Occupation*: Profession *Nationality:* Indian *Term:* Five years with effect from December 6, 2018 *Period of directorship:* Since December 6, 2018 *DIN:* 00917357		Nil
Ms. Meher Castelino *Date of birth:* July 6, 1944 *Designation:* Independent Director *Address:* Deepak Building, 6th Floor, Flat No.54, Pedder Road, Mumbai 400 026, Maharashtra, India *Occupation*: Business Journalist *Nationality:* Indian *Term:* Five years with effect from July 4, 2018 *Period of directorship:* Since July 4, 2018 *DIN:* 07121874	76	*Indian Companies* 1. VIP Clothing Limited *Foreign Companies* Nil
Mr. Aseem Dhru *Date of birth:* April 7, 1970 *Designation:* Independent Director *Address:* B-12 Ahuja Towers, Rajabhau Anant Desai Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India *Occupation*: Service *Nationality:* Indian *Term:* Five years with effect from November 12, 2019 *Period of directorship:* Since November 12, 2019 *DIN:* 01761455	50	*Indian Companies* 1. SBFC Finance Private Limited *Foreign Companies* Nil
Mr. Robin Banerjee *Date of birth:* August 20, 1955 *Designation:* Independent Director *Address:* 102/103 Ashok Garden, Tower 1, C Wing, T.J Road, Lower Parel, Mumbai 400015, Maharashtra, India *Occupation*: Service *Nationality:* Indian	64	*Indian Companies* 1. VIP Clothing Limited; 2. Caprihans India Limited; and 3. IMICL Dighi Maritime Limited. *Foreign Companies* Nil

Name, date of birth, designation, address, occupation, nationality, term, period of directorship and DIN of our Directors	Age (years)	Other Directorships
Term: Five years with effect from November 12, 2019 *Period of directorship:* Since November 12, 2019 *DIN:* 00008893		
Mr. Sharabh Pachory *Date of birth:* July 30, 1960 *Designation:* Independent Director *Address:* D1/152 Charmwood Villa, Sushant Golf City, Lucknow 226 030, Uttar Pradesh, India *Occupation*: Retired *Nationality:* Indian *Term:* Five years with effect from November 12, 2019 *Period of directorship:* Since November 12, 2019 *DIN:* 08577249	59	*Indian Companies* Nil *Foreign Companies* Nil

Arrangement or Understanding with major shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Brief profiles of our Directors

Mr. Edward Menezes is the Executive Chairman of our Company. He was a founder of our Company and has been a member of our Board since incorporation of our Company. He was also a partner of Rossari Biotech prior to the conversion into our Company. He holds a bachelor's degree in science (chemistry major) from K. J. Somaiya College of Science, University of Bombay and a bachelor's degree of science (technology) in textile chemistry from University Department of Chemical Technology (UDCT), University of Bombay. He also holds a master's degree in marketing management from Prin. L. N. Welingkar Institute of Management Development & Research, Mumbai. Edward Menezes was also awarded 'UAA Distinguished Alumnus technology day award, 2013' by UDCT and the Institute of Chemical Engineering. He was previously associated with Clariant India Limited (erstwhile Sandoz India Limited). He has over 25 years of experience in the specialty chemicals industry and has more than ten years of experience in different roles within our Company and has been actively involved in the day-to-day running of our Company.

Mr. Sunil Chari is the Managing Director of our Company. He was a founder of our Company and has been a member of our Board since incorporation of our Company. He was also a partner of Rossari Biotech prior to the conversion into our Company. He holds a bachelor's degree in arts from the Kakatiya University. He also holds a diploma in technical and applied chemistry from Victoria Jubilee Technical Institute (VJTI). He has over 20 years of experience in the specialty chemicals industry. He has more than ten years of experience in different roles within our Company and has been actively involved in the day-to-day running of our Company.

Mr. Goutam Bhattacharya is an independent director of our Company. He was appointed on the Board of our Company on December 6, 2018. He holds a masters' degree in management from the Indian Institute of Management, Ahmedabad. He was previously associated with Pulcra Chemicals India Private Limited as a Managing Director and has over 20 years of experience in the specialty chemicals industry.

Ms. Meher Castelino is an independent director of our Company. She joined the Board of our Company on July 4, 2018. She has completed her basic education from Lawrence School Lovedale, University of Cambridge. At present, Ms. Meher Castelino is the director of VIP Clothing Limited and has been associated with them since 2015.

Mr. Aseem Dhru is an Independent Director of our Company. He was appointed on the Board of our Company on November 12, 2019. He holds a bachelor's degree in commerce from H. L. Commerce College, Gujarat University. He is an associate member of the Institute of Chartered Accountants of India and the Institute of Cost and Works Accountants of India. He was previously associated with HDFC Bank Limited as a group head and was a director on the board of HDB Financial Services Limited and HDFC Securities Limited. He is currently the chief executive officer and managing director on the board of SBFC Finance Private Limited.

Mr. Robin Banerjee is an Independent Director of our Company. He was appointed on the Board of our Company on November 12, 2019. He holds a master's degree of commerce from University of Calcutta. He also holds a degree from the Institute of Cost and Works Accountants of India. Mr. Robin Banerjee is also a qualified company secretary and a fellow member of the Institute of Chartered Accountants of India. He has been previously associated, amongst others, with Caprihans India Limited, Essar Steel Limited, Thomas Cook (India) Limited and Hindustan Cargo Limited.

Mr. Sharabh Pachory is an Independent Director of our Company. He was appointed on the Board of our Company on November 12, 2019. He is a retired Major General from the Indian Army. He holds a bachelor's degree in science from University of Jabalpur and a master's degree of science in defence and strategic studies from University of Madras. He has also completed senior defence management course – 66, advance course in strategic management and decision making from the College of Defence Management, Secunderabad. He also participated in independent director's programme for senior officers of armed forces conducted by Management Development Institute, Gurugram and also holds a certificate from All India Management Association for completion of an advance course on strategic management. As a senior retired defence officer who served from 1982 to 2018, he has over 35 years of experience in the fields of defence administration and planning.

Relationship between Directors and Key Managerial Personnel

Except for (i) Mr. Mikhail Menezes who is the son of Mr. Edward Menezes; and (ii) Mr. Yash Chari who is the son of Mr. Sunil Chari, none of our Directors and Key Managerial Personnel are related to each other.

Terms of Appointment of our Executive Directors

Mr. Edward Menezes

Mr. Edward Menezes was appointed on our Board at the incorporation of our Company. He was appointed as the Managing Director with effect from January 1, 2012. He has been re-appointed as the Executive Chairman for a period of five years with effect from October 1, 2019, pursuant to resolutions passed by our Board and Shareholders on September 26, 2019 and September 30, 2019, respectively.

Pursuant to the shareholders' resolution dated September 30, 2019, Mr. Edward Menezes is entitled to the following remuneration and perquisites with effect from October 1, 2019, for a period of five years:

(in ₹ million)

S. No.	Particulars	Remuneration per month	Remuneration per annum
1.	Basic salary	0.46	5.58
2.	House rent allowance	0.23	2.79
3.	NPS	0.04	0.56
Gross Salary		**0.74**	**8.93**
	Deduction		
1.	NPS Deposit	0.05	0.56
2.	Voluntary Provident Fund	0.01	0.14
Net Salary		**0.68**	**8.23**
	Other Benefits		
	Medical	-	0.07
CTC		**0.75**	**9.00**

He received gross remuneration of ₹ 7.35 million in Fiscal 2020 from our Company.

Mr. Sunil Chari

Mr. Sunil Chari was appointed on our Board at the incorporation of our Company. He was appointed as the Whole Time Director with effect from August 10, 2009. He has been re-appointed as the Managing Director for a period of five years with effect from October 1, 2019, pursuant to resolutions passed by our Board and Shareholders on September 26, 2019 and September 30, 2019, respectively.

Pursuant to the shareholders' resolution dated September 30, 2019, Mr. Sunil Chari is entitled to the following remuneration and perquisites with effect from October 1, 2019, for a period of five years:

(in ₹ million)

S. No.	Particulars	Remuneration per month	Remuneration per annum
1.	Basic salary	0.46	5.58
2.	House rent allowance	0.23	2.79
3.	NPS	0.04	0.56
Gross Salary		**0.74**	**8.93**
	Deduction		
1.	NPS Deposit	0.05	0.56
2.	Voluntary Provident Fund	0.01	0.14
Net Salary		**0.68**	**8.23**
	Other Benefits		
	Medical	-	0.07
CTC		**0.75**	**9.00**

He received gross remuneration of ₹ 7.35 million in Fiscal 2020 from our Company.

Compensation paid to our Independent Directors

Our Independent Directors may be entitled to receive sitting fees, as determined by our Board from time to time, for attending meeting of our Board and committees thereof.

The details of sitting fees paid to our Independent Directors in Fiscal 2020 are set forth below:

S. No.	Name of Director	Sitting fees paid (in ₹ million)
1.	Mr. Goutam Bhattacharya	0.57
2.	Ms. Meher Castelino	0.57
3.	Mr. Aseem Dhru	0.50
4.	Mr. Robin Banerjee	0.06
5.	Mr. Sharabh Pachory	0.41
	Total	**2.11**

Remuneration paid or payable from our Subsidiaries

None of our Directors has been paid any remuneration from our Subsidiaries, including any contingent or deferred compensation accrued for Fiscal 2020.

Bonus or profit sharing plan for the Directors

Our Company does not have any bonus or profit sharing plan for our Directors.

Shareholding of our Directors

Other than as disclosed under "***Capital Structure – Notes to Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company***" on page 81, none of our Directors hold any Equity Shares as on the date of this Prospectus.

Service contracts with Directors

There are no service contracts entered into by our Directors with the Company which provide for benefits upon termination of employment.

Contingent and deferred compensation payable to Directors

There is no contingent or deferred compensation payable to our Directors, which does not form part of their remuneration.

Interest of Directors

All our executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company and our Independent Directors may be deemed to be interested to the extent of sitting fees, if any, payable to them for attending meetings of our Board or committees thereof. Some of our Directors hold positions as directors on the board of directors of our Subsidiaries. For further details, see "***- Terms of Appointment of our Executive Directors***" and "***- Compensation paid to our Independent Directors***", both on page 181 and 182.

Our Directors may be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer and any dividend and other distributions payable in respect of such Equity Shares.

No loan have been availed by our Directors from our Company.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

Our Directors are interested to the extent of rent received from their respective properties leased to our Company.

Interest in land and property

Our Directors are not interested in any property acquired or proposed to be acquired by our Company.

Interest in promotion or formation of our Company

Except Mr. Edward Menezes and Mr. Sunil Chari, none of our Directors have any interest in the promotion or formation of our Company as on the date of this Prospectus.

Business interest

Except as stated in the section titled "***Financial Statements – Restated Financial Statements – Notes to Restated Financial Statements – Note 42 – Related party disclosures***" on page 243, our Directors do not have any other business interest in our Company.

Directorships of Directors in listed companies

None of our Directors are, or for the five years prior to the date of this Prospectus, have been on the board of directors of any listed company whose shares have been/were suspended from being traded on any of the stock exchanges, during his/her tenure.

None of our Directors has been or is a director on the board of directors of any listed company which has been /was delisted from any stock exchange(s), during his/her tenure.

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Prospectus are set forth below.

Name of Director	Date of Change	Reasons
Ms. Meher Castelino	July 4, 2018	Appointment as an Independent Director*
Mr. Goutam Bhattacharya	December 6, 2018	Appointment as an Independent Director**

Name of Director	Date of Change	Reasons
Ms. Jyotishna Chari	November 12, 2019	Cessation as a Director
Ms. Anita Menezes	November 12, 2019	Cessation as a Director
Mr. Aseem Dhru	November 12, 2019	Appointment as an Independent Director***
Mr. Robin Banerjee	November 12, 2019	Appointment as an Independent Director***
Mr. Sharabh Pachory	November 12, 2019	Appointment as an Independent Director***

* *Regularized pursuant to a resolution passed by the Shareholders on September 29, 2018.*
** *Regularized pursuant to a resolution passed by the Shareholders on September 30, 2019.*
*** *Regularized pursuant to a resolution passed by the Shareholders on November 19, 2019.*

Borrowing Powers

Pursuant to our Articles of Association and applicable provisions of the Companies Act, 2013 and pursuant to the Board resolution dated December 6, 2018 and the special resolution passed by our Shareholders on February 22, 2019, our Board is entitled to borrow (excluding temporary loans obtained in the ordinary course of business) up to such amount that does not exceed, in the aggregate, the amount of ₹ 5,000 million.

Corporate Governance

As on the date of this Prospectus, we have seven Directors on our Board, comprising two executive Directors and five Independent Directors. The Chairman of our Board, Mr. Edward Menezes, is an executive Director. Further, we have one woman independent director on our Board. 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.

Our Company undertakes to take all necessary steps to continue to comply with all the applicable requirements of SEBI Listing Regulations and the Companies Act, 2013.

Board committees

Our Company has constituted the following committees of the Board in terms of the SEBI Listing Regulations and the Companies Act 2013:

(a) Audit Committee;
(b) Nomination and Remuneration Committee;
(c) Stakeholders' Relationship Committee; and
(d) Corporate Social Responsibility Committee.

Audit Committee

The Audit Committee was last reconstituted pursuant to the meeting of the Board held on November 12, 2019. The Audit Committee is in compliance with Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently consists of:

(a) Mr. Aseem Dhru (*Chairperson*);
(b) Mr. Goutam Bhattacharya (*Member*); and
(c) Mr. Sunil Chari (*Member*).

The Company Secretary shall act as the secretary to the Audit Committee.

Scope and terms of reference: The terms of reference of the Audit Committee shall include the following:

The Audit Committee shall have powers, including the following:

(a) To investigate any activity within its terms of reference.
(b) To seek information from any employee.
(c) To obtain outside legal or other professional advice.
(d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee shall include the following:

(a) Oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible.
(b) Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee.
(c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    - Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act 2013;
    - Changes, if any, in accounting policies and practices and reasons for the same;
    - Major accounting entries involving estimates based on the exercise of judgment by management;
    - Significant adjustments made in the financial statements arising out of audit findings;
    - Compliance with listing and other legal requirements relating to financial statements;
    - Disclosure of any related party transactions; and
    - Modified opinion(s) in the draft audit report.
(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.
(f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
(h) Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
    ***Explanation**: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act 2013*.
(i) Scrutiny of inter-corporate loans and investments.
(j) Valuation of undertakings or assets of the Company, wherever it is necessary.
(k) Evaluation of internal financial controls and risk management systems.
(l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
(m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
(n) Discussion with internal auditors of any significant findings and follow up there on.
(o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
(p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
(q) Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
(r) Recommending to the Board the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services.
(s) Reviewing the functioning of the whistle blower mechanism.
(t) Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases.
(u) Approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
(v) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.
(w) Carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Additionally, the Audit Committee shall mandatorily review the following information:

(a) management discussion and analysis of financial condition and results of operations;
(b) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
(c) management letters / letters of internal control weaknesses issued by the statutory auditors;
(d) internal audit reports relating to internal control weaknesses;
(e) the appointment, removal and terms of remuneration of the chief internal auditor; and
(f) statement of deviations in terms of the SEBI Listing Regulations:
    - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and
    - annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by a resolution of our Board dated November 12, 2019. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently consists of:

(a) Mr. Robin Banerjee (*Chairperson*);
(b) Mr. Sharabh Pachory (*Member*); and
(c) Ms. Meher Castelino (*Member*).

Scope and terms of reference: The terms of reference of the Nomination and Remuneration Committee shall include the following:

(a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.
(b) Formulation of criteria for evaluation of performance of independent directors and the Board.
(c) Devising a policy on Board diversity.
(d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director).
(e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
(f) Recommend to the Board, all remuneration, in whatever form, payable to senior management.
(g) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.
(h) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:

    (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
    (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
    (iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

In addition, the Nomination and Remuneration Committee has also been empowered to perform such functions as are required to be performed by the compensation committee/Nomination and Remuneration Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, including the following:

(a) administering the employee stock option plans of the Company as instituted from time to time, including the ESOP Scheme;
(b) determining the eligibility of employees to participate under the employee stock option plans;

(c) granting options to eligible employees and determining the date of grant under the employee stock option plans;
(d) determining the number of options to be granted to an employee under the employee stock option plans;
(e) determining the exercise price under the employee stock option plans; and
(f) construing and interpreting the employee stock option plans and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans.
(g) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, or any other applicable law, including:
    (i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
    (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
(h) perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act or by the SEBI Listing Regulations or by any other applicable law or regulatory authority.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated November 12, 2019. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently consists of:

(a) Mr. Goutam Bhattacharya (*Chairperson*);
(b) Ms. Meher Castelino (*Member*); and
(c) Mr. Sunil Chari (*Member*).

Scope and terms of reference: The terms of reference of the Stakeholders' Relationship Committee shall include the following:

(a) Considering and looking into various aspects of interest of shareholders, debenture holders and other security holders.
(b) Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Equity Shares, transfer/ transmission of Equity Shares, non-receipt of share certificates, declared dividends, annual reports, balance sheets of the Company, general meetings, etc.
(c) Giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities.
(d) Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.
(e) Reviewing measures taken for effective exercise of voting rights by shareholders.
(f) Reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent.
(g) Reviewing the various measures and initiatives undertaken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
(h) Carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Corporate Social Responsibility Committee

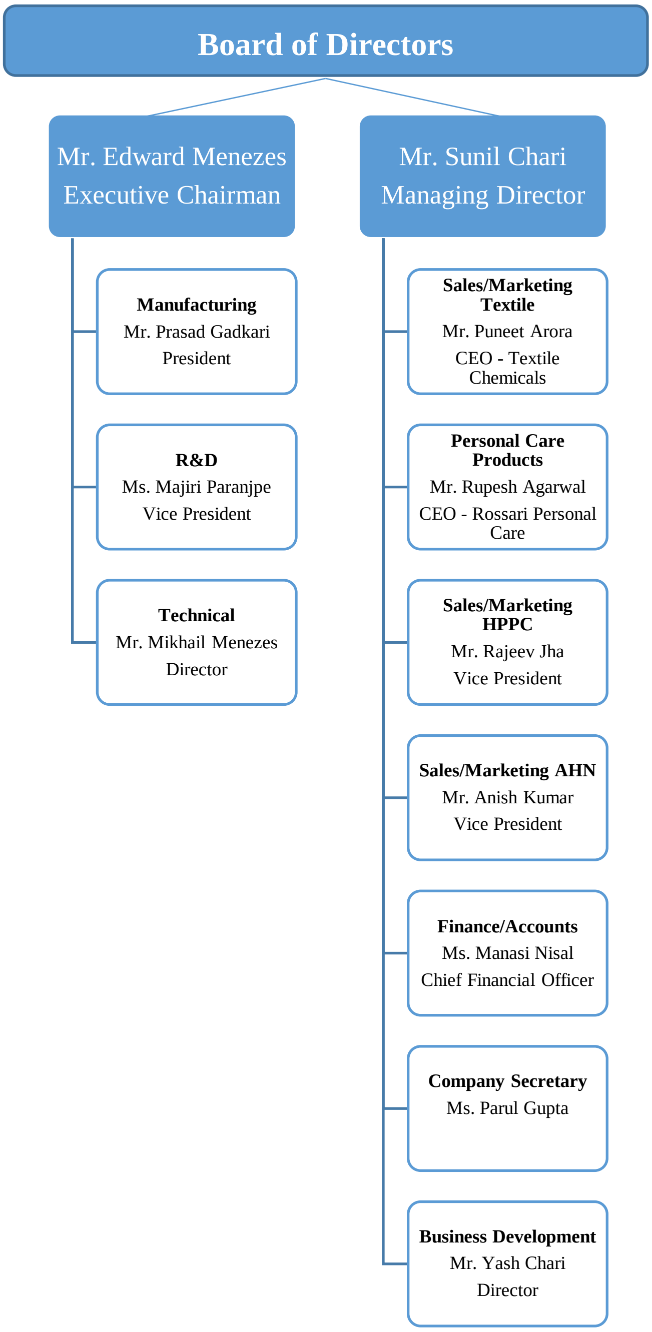
Our Corporate Social Responsibility Committee was last reconstituted by a resolution of our Board dated November 12, 2019. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013. The Corporate Social Responsibility Committee currently consists of:

(a) Ms. Meher Castelino (*Chairperson*);
(b) Mr. Goutam Bhattacharya (*Member*); and
(c) Mr. Edward Menezes (*Member*).

The Corporate Social Responsibility Committee is authorized to perform the following functions:

(a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013.
(b) Review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a).
(c) Monitor the corporate social responsibility policy of the Company and its implementation from time to time.
(d) Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time.

Management Organisation Chart



Key Managerial Personnel

In addition to Mr. Edward Menezes, our Executive Chairman and Mr. Sunil Chari, our Managing Director, whose details are provided in "***– Brief Profiles of our Directors***" on page 180, the details of our other Key Managerial Personnel as on the date of this Prospectus are set forth below.

Mr. Puneet Arora, aged 45 years, is our Chief Executive Officer – Textile Chemicals Global. He holds a bachelor's degree in commerce from the Ambedkar College of Commerce & Economics, University of Bombay. He has been associated with our Company since incorporation and has more than 10 years of experience in the field of sales and marketing of textile specialty chemicals and institutional and industrial cleaning chemicals. In Fiscal 2020, he received aggregate compensation of ₹ 4.53 million.

Mr. Rupesh Agarwal, aged 48 years, is the chief executive officer of Rossari Personal Care, one of our Subsidiaries. He holds a bachelor's degree in chemical engineering from Indian Institute of Technology, Delhi and a post graduate diploma in business management from NMIMS University, School of Business Management. He has successfully completed the "Certified Life Coach Program" for the designation of "Certified Life Coach - CLC" from the Accredited Coach Training Program and also completed "Changing the Game: Negotiation and Competitive Decision Making" from Harvard Business School. He joined Rossari Personal Care on March 26, 2020. He has over 25 years of experience and has been previously associated with Hindustan Unilever Limited, Asian Paints (India) Limited, Lupin Agrochemical India Limited and Glaxo India Limited. Since he joined Rossari Personal Care which is a Subsidiary of our Company, no remuneration was paid to him in Fiscal 2020 by our Company or our Subsidiary.

Mr. Prasad Gadkari, aged 45 years, is our President – Manufacturing. He holds a diploma in business management from the Nagpur University. He has been associated with our Company since incorporation and has more than 10 years of experience in handling purchase, managing factory, industrial relations and managing productivity. In Fiscal 2020, he received aggregate compensation of ₹ 1.60 million.

Mr. Rajeev Jha, aged 44 years, is our Vice President – HPPC. He holds a bachelor's degree in science (technology – branch I - textile chemistry) from the department of Chemical Technology, University of Mumbai. He has been associated with our Company since incorporation and has over 10 years of experience in the field of sales and marketing of textile specialty chemicals and HPPC product categories. In Fiscal 2020, he received aggregate compensation of ₹ 2.50 million.

Dr. Anish Kumar, aged 52 years, is our Vice President – AHN. He holds a bachelor's degree in veterinary science and animal husbandry from the Jawaharlal Nehru Krishi Vishwa Vidyalaya. He joined our Company on April 25, 2012. Previously, he was associated with Varuna Biocell Private Limited as the general manager, domestic and international market. In Fiscal 2020, he received aggregate compensation of ₹ 4.50 million.

Ms. Manjiri Paranjpe, aged 43 years, is our Vice President – Research and Development. She holds a bachelor's degree in science (technology – branch I - textile chemistry) from department of Chemical Technology, University of Mumbai. She has been associated with our Company since incorporation and has more than 10 years of experience in research and development of textile specialty chemicals and HHPC product categories, enzymes, formulation, emulsification and institutional and industrial cleaning chemicals. In Fiscal 2020, she received aggregate compensation of ₹ 3.00 million.

Ms. Manasi Nisal, aged 48 years, is our Chief Financial Officer. She is a qualified chartered accountant from the Institute of Chartered Accountants of India. She joined our Company on November 12, 2019. Previously, she was associated with Huechem Textiles Private Limited as a General Manager – Accounts & Finance. In Fiscal 2020, she received aggregate compensation of ₹ 1.40 million.

Ms. Parul Gupta, aged 28 years, is the Company Secretary and Compliance Officer of our Company. She holds a bachelor's degree in commerce from S.S. Jain Subodh Girls College, Jaipur, University of Rajasthan and a bachelor's degree in law from University of Rajasthan. She is also a qualified company secretary from the Institute of Company Secretaries of India. She joined our Company on November 18, 2019. Previously, she was associated with, amongst others, Bajaj International Realty Private Limited and Tokyo Plast International Limited. In Fiscal 2020, she received aggregate compensation of ₹ 0.32 million.

Mr. Mikhail Menezes, aged 30 years, is our Director – Technical. He holds a degree of master of engineering in chemical engineering from Imperial College of Science, Technology and Medicine, London. Post completion of his education, Mr. Mikhail Menezes joined our Company on September 23, 2016. In Fiscal 2020, he received aggregate compensation of ₹ 5.00 million.

Mr. Yash Chari, aged 23 years, is our Director – Marketing and Business Development. He holds a bachelor's degree of science in chemical engineering from University of South Florida. Post completion of his basic education, Mr. Yash Chari joined our Company on December 15, 2014. In Fiscal 2020, he received aggregate compensation of ₹ 5.00 million.

Status of Key Managerial Personnel

Except for Mr. Rupesh Agarwal, who is the chief executive officer of Rossari Personal Care, all our Key Managerial Personnel are permanent employees of our Company.

Relationship among Key Managerial Personnel

Except as disclosed in "- ***Relationship between Directors and Key Managerial Personnel***" above, none of our Key Managerial Personnel are related to each another.

Bonus or profit sharing plan for the Key Managerial Personnel

There is no profit sharing plan for the Key Managerial Personnel.

Shareholding of Key Managerial Personnel

Other than as provided under "***Capital Structure – Shareholding of our Directors and Key Managerial Personnel***", none of our Key Managerial Personnel hold Equity Shares as on the date of this Prospectus.

Service Contracts with Key Managerial Personnel

Our Key Managerial Personnel are governed by the terms of their appointment letters/employment contracts and have not entered into any other service contracts with our Company. No officer of our Company is entitled to any benefit upon termination of employment or superannuation, other than statutory benefits. For details in relation to Mr. Sunil Chari and Mr. Edward Menezes's benefits on termination of employment, see "***– Service contracts with Directors***" on page 182.

Interest of Key Managerial Personnel

Other than to the extent of the remuneration, benefits, interest of receiving dividends on the Equity Shares, reimbursement of expenses incurred in the ordinary course of business, our Key Managerial Personnel may be interested to the extent of employee stock options that may be granted to them from time to time under the ESOP Scheme and other employee stock option schemes formulated by the Company from time to time.

No loans have been availed by our Key Managerial Personnel from our Company as on the date of this Prospectus.

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or any other person.

Changes in Key Managerial Personnel during the last three years

The changes in our Key Managerial Personnel during the three years immediately preceding the date of this Prospectus are set forth below.

Name	Date	Reason
Mr. Kuldeep Pandita	May 31, 2020	Resigned as vice president – HR & Admin
Mr. Rupesh Agarwal	March 26, 2020	Appointed as the chief executive officer of Rossari Personal Care
Mr. Ashok Joshi	November 29, 2019	Resigned as chief financial officer
Ms. Manasi Nisal	November 12, 2019	Appointed as the chief financial officer

Name	Date	Reason
Ms. Parul Gupta	November 18, 2019	Appointed as the company secretary and compliance officer
Mr. Kuldeep Pandita	July 30, 2019	Appointment as the vice president – HR & admin

Employee stock option and stock purchase schemes

For details of the ESOP Scheme implemented by our Company, see "***Capital Structure – Notes to Capital Structure – Employee Stock Option Scheme***" on page 81.

Payment or Benefit to Key Managerial Personnel of our Company

No amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

PROMOTER AND PROMOTER GROUP

Mr. Edward Menezes and Mr. Sunil Chari are the Promoters of our Company. As on the date of this Prospectus, our Promoters hold an aggregate of 42,708,140 Equity Shares, comprising 84.15% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For details on shareholding of our Promoters in our Company, see "***Capital Structure***" on page 71.

The details of our Promoters are provided below:

1. Mr. Edward Menezes

Mr. Edward Menezes, aged 59 years, is our Promoter and Executive Chairman. He is a resident of 601 Gem House, Lake Boulevard Street, Near Panchakutir, Hiranandani Gardens, Powai, Mumbai 400 076, Maharashtra, India. For the complete profile of Mr. Edward Menezes along with details of his date of birth, educational qualification, experience in the business, positions/posts held in past, directorship, special achievements, his business and financial activities, see "***Our Management***" on page 178.

The permanent account number of Mr. Edward Menezes is AAGPM5575L, aadhaar card number is [redacted] and his driving license number is MH03 19900010071.

2. Mr. Sunil Chari

Mr. Sunil Chari, aged 54 years, is our Promoter and Managing Director. He is a resident of 27A & 27B, Eden Bunglow CHS LTD., Hiranandani Gardens, Powai, Mumbai 400 076, Maharashtra, India. For the complete profile of Mr. Sunil Chari along with details of his date of birth, educational qualification, experience in the business, positions/posts held in past, directorship, special achievements, his business and financial activities, see "***Our Management***" on page 178.

The permanent account number of Mr. Sunil Chari is AAEPC7152K, aadhaar card number is [redacted] and his driving license number is MH03 20120024600.

Our Company confirms that the permanent account numbers, bank account numbers and passport numbers of Mr. Edward Menezes and Mr. Sunil Chari have been submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus.

Change in the management and control of our Company

Our Promoters are the original promoters of our Company and there has been no change in control of our Company in the five years immediately preceding the date of this Prospectus.

Interests of Promoters and Related Party Transactions

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company, (ii) their directorship in our Company and our Subsidiaries, (iii) to the extent of their shareholding and the shareholding of their relatives, (iv) the dividend payable thereon, (vi) to the extent of rent received from their respective properties leased to our Company, and (v) other distributions in respect of the Equity Shares held by them. For details on shareholding of our Promoters in our Company, see "***Capital Structure – Notes to Capital Structure – History of the Equity Share Capital held by our Promoters***" on page 75. For further details of interest of our Promoters in our Company, see "***Financial Information***" on page 201.

Our Promoters are also interested in our Company as Executive Chairman and Managing Director and remuneration, benefits and reimbursement of expenses payable to them in such capacity. For details on the terms of their appointment, see "***Our Management***" on page 178.

Except as disclosed in this section and in "***Summary of the Offer Document - Summary of Related Party Transactions***" and "***Financial Information***" on pages 20 and 201, respectively, our Promoters have no interest in any property acquired by our Company during the three years preceding the date of this Prospectus, or proposed to be acquired, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Our Promoters are not interested as members of a firm or company (other than our Company) and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by such Promoter(s) or by such firm or company in connection with the promotion or formation of our Company.

Payment of benefits to our Promoters or Promoter Group

Except as stated in this section, "***Summary of the Offer Document - Summary of Related Party Transactions***", "***Our Management***" and "***Financial Statements***" on pages 20, 178 and 201 respectively, there has been no payment of benefits made to our Promoters or members of our Promoter Group during the two years preceding the filing of this Prospectus nor is there any intention to pay or give any benefit to our Promoters or members of our Promoter Group.

Except as disclosed in "***Summary of the Offer Document - Summary of Related Party Transactions***" and "***Financial Statements***" on pages 20 and 201 and as disclosed below, our Company has not entered into any contract, agreements or arrangements during the two years immediately preceding the date of this Prospectus and does not propose to enter into any such contract in which our Promoters are directly or indirectly interested and no payment has been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with.

Our Promoters are interested to the extent of rent received from their respective properties leased to our Company.

Litigation involving our Promoters

Except as disclosed in "***Outstanding Litigation and Material Developments - Litigation involving our Promoters***" on page 299, there are no legal and regulatory proceedings involving our Promoters as on the date of this Prospectus.

Confirmations

Neither our Promoters nor any of the entities with which they are associated as promoters have been identified as wilful defaulters as defined under the SEBI ICDR Regulations.

As on the date of this Prospectus, our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.

Our Promoters are not a beneficiary of any loans and advances provided by our Company.

Our Promoters have not taken any unsecured loans which may be recalled by the lenders at any time. Our Promoters are not related to any of the sundry debtors of our Company or beneficiaries of any loans and advances.

Payment or Benefits to Promoters or Promoter Group

Except as disclosed in this section and stated otherwise in "***Financial Information***" on page 201 and in "***Our Management***" on page 178, there has been no payment or benefit to our Promoters or Promoter Group during the two years prior to the filing of this Prospectus nor is there any intention to pay or give any benefit to our Promoters or members of the Promoter Group as on the date of this Prospectus.

Experience of our Promoters in the business of our Company

For details in relation to experience of our Promoters in the business of our Company, see "***Our Management***" on page 178.

Disassociation by Promoters in the last three years

None of our Promoters have disassociated themselves from any company or firm during the preceding three years from the date of this Prospectus.

Material Guarantees

Except as stated in the "***History and Certain Corporate Matters***" and "***Financial Information***" on pages 173 and 201, respectively, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Prospectus.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

A. ***Natural persons who are part of the Promoter Group***

The natural persons who are part of the Promoter Group (due to their relationship with our Promoters), other than our Promoters, are as follows:

Name of Promoter	Name of relative	Relationship
Mr. Edward Menezes	Ms. Anita Menezes	Spouse
	Mr. Henry Menezes	Brother
	Ms. Yvette Santhmayor	Sister
	Mr. Mikhail Menezes	Son
	Ms. Stella D'cunha	Spouse's Mother
	Mr. Ronald D'cunha	Spouse's Brother
	Ms. Charlotte D'mello	Spouse's Sister
Mr. Sunil Chari	Ms. Usha Chari	Mother
	Ms. Jyotishna Chari	Spouse
	Ms. Priya Shivdasani	Sister
	Ms. Malini Nainani	Sister
	Mr. Yash Chari	Son
	Ms. Yashika Chari	Daughter
	Mr. Satish Mehta	Spouse's Father
	Ms. Chanderkanta Mehta	Spouse's Mother
	Mr. Manish Mehta	Spouse's Brothers
	Ms. Geeta Gupta	Spouse's Sister
	Ms. Priyata Chopra	Spouse's Sister
	Ms. Neera Gupta	Spouse's Sister

B. ***Entities forming part of the Promoter Group***

The entities forming part of our Promoter Group are as follows:

1. Rossari Biotech (India) Private Limited;
2. Rossari Manuchar (India) Private Limited;
3. Rossari Hydra Chemicals Private Limited;

4. Suisse Silicon Specialties Private Limited;
5. Rossari Speciality Chemicals Private Limited;
6. Sunjyot Properties LLP;
7. Rossari Empire Dyechem Private Limited;
8. Glad Properties (India) Private Limited;
9. Buzil Rossari Private Limited;
10. Sunil Chari (HUF);
11. Menezes Family Trust; and
12. Chari Family Trust.

OUR GROUP COMPANIES

As per the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of group companies, our Company has considered the companies (other than our Subsidiaries) with which there are related party transactions as disclosed in the Restated Financial Statements and other companies considered material by our Board pursuant to the Materiality Policy. In accordance with our Materiality Policy, for the purposes of disclosure in the Offer Documents, a company shall be considered material and disclosed as a Group Company if (i) it is a member of the Promoter Group and has entered into one or more transactions with the Company in the most recent audited Fiscal (i.e. Fiscal 2020) for which Restated Financial Statements are being included in this Prospectus, individually or in aggregate, exceeds 10% of the total revenue of our Company for such Fiscal; or (ii) such company would require disclosure in the financial statements of the Company subsequent to the latest period for which Restated Financial Statements are included in this Prospectus, as entities covered under Ind AS 24 (other than those companies which are already covered under Ind AS 24).

As on the date of this Prospectus, we have four Group Companies, the details of which are set forth below.

1. Rossari Biotech (India) Private Limited ("RBIPL")

RBIPL was incorporated under the Companies Act, 1956 on January 31, 1997. The CIN of RBIPL is U24100MH1997PTC105584. It is currently engaged in the business of manufacture, process, produce, import, export, buy, sell, trade, supply, distribute and deal in chemicals and chemical compounds, organic and inorganic, dyes, textile and textile auxiliaries.

Audited Financial Information

(Figures in ₹ million, except earnings per share (Basic) and (Diluted) and net asset value)

Particulars	As on March 31, 2019	As on March 31, 2018	As on March 31, 2017
Equity share capital	0.71	0.71	0.71
Reserves and surplus (excluding revaluation reserve)	60.02	62.18	59.78
Sales/turnover	3.76	3.60	3.80
Profit/(loss) after tax	5.68	2.40	2.30
Earnings/(loss) per share of face value ₹ 10 each (Basic)	79.88	33.75	32.30
Earnings/(loss) per share of face value ₹ 10 each (Diluted)	79.88	33.75	32.30
Net asset value (per share)	854.21	884.54	850.82

Significant notes of auditors

There are no significant notes by the auditors in relation to the aforementioned financial statements.

2. Glad Properties (India) Private Limited ("GPIPL")

GPIPL was incorporated under the Companies Act, 1956 on May 31, 2002. The CIN of GPIPL is U70109MH2002PTC136083. It is currently engaged in the business of investment in real estate and to acquire by way of purchase, lease, exchange, hire or otherwise land, buildings, properties, plots, flats, bungalows, row houses, duplex flats, terraces, garden, parks, playground, hotel, cinema, business premises, etc., to sell, lease, let, mortgage business offices, residential flats, hotels, cinemas or otherwise dispose of such land, houses, buildings and other properties.

Audited Financial Information

(Figures in ₹ million, except earnings per share (Basic) and (Diluted) and net asset value)

Particulars	As on March 31, 2019	As on March 31, 2018	As on March 31, 2017
Equity share capital	0.10	0.10	0.10
Reserves and surplus (excluding revaluation reserve)	0.08	(0.19)	(0.41)
Sales/turnover	0.84	0.84	0.84
Profit/(loss) after tax	0.27	0.21	0.19
Earnings/(loss) per share of face value ₹ 10 each (Basic)	27.08	21.48	18.79
Earnings/(loss) per share of face value ₹ 10 each (Diluted)	27.08	21.48	18.79
Net asset value (per share)	17.84	(9.24)	(30.72)

Significant notes of auditors

There are no significant notes by the auditors in relation to the aforementioned financial statements.

3. Rossari Manuchar (India) Private Limited ("RMIPL")

RMIPL was incorporated under the Companies Act, 1956 on November 13, 2006. The CIN of RMIPL is U51909MH2006PTC165531. It is currently engaged in the business of import, export, buy, sell, resell, trade of all kinds of goods finished, semi-finished, raw material items, articles, merchandise, products such as agricultural, industrial, chemical or marine, stones, pieces of arts, antiques, handicrafts, machinery, equipments, capital goods, furniture, colours and any other items capable of purchasing, importing, exporting, selling and trading and to be appointed as agent and/or distributors on commission, allowance, retainership, incentive basis.

Audited Financial Information

(Figures in ₹ million, except earnings per share (Basic) and (Diluted) and net asset value)

Particulars	As on March 31, 2019	As on March 31, 2018	As on March 31, 2017
Equity share capital	0.10	0.10	0.10
Reserves and surplus (excluding revaluation reserve)	0.38	0.37	0.35
Sales/turnover	0.11	4.43	4.62
Profit/(loss) after tax	0.01	0.02	0.07
Earnings/(loss) per share of face value ₹ 10 each (Basic)	1.49	2.41	7.48
Earnings/(loss) per share of face value ₹ 10 each (Diluted)	1.49	2.41	7.48
Net asset value (per share)	48.42	46.93	45.19

Significant notes of auditors

There are no significant notes by the auditors in relation to the aforementioned financial statements.

4. Rossari Speciality Chemicals Private Limited ("RSCPL")

RSCPL was incorporated under the Companies Act, 2013 on February 22, 2019. The CIN of RSCPL is U24100MH2019PTC321753. It is currently engaged in the business of manufacture, purchase, sale, import, export and otherwise deal in enzymes, textile auxillaries, speciality chemicals, applications and products of biotechnology for textiles, leathers, paper, construction materials and pharmaceuticals.

Audited Financial Information

(Figures in ₹ million, , except earnings per share (Basic) and (Diluted) and net asset value)

Particulars	As on March 31, 2019	As on March 31, 2018	As on March 31, 2017
Equity share capital	0.10	-	-
Reserves and surplus (excluding revaluation reserve)	0.01	-	-
Sales/turnover	0.04	-	-
Profit/(loss) after tax	0.01	-	-
Earnings/(loss) per share of face value ₹ 10 each (Basic)	0.53	-	-
Earnings/(loss) per share of face value ₹ 10 each (Diluted)	0.53	-	-
Net asset value (per share)	10.53	-	-

Significant notes of auditors

There are no significant notes by the auditors in relation to the aforementioned financial statements

Sick Industrial Company, Winding up/Insolvency proceedings

Our Group Companies have not been declared sick companies under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, have not been referred to the Board of Industrial and Financial Reconstruction or the National Company Law Tribunal, and are not under the corporate insolvency resolution process in terms of the Insolvency and Bankruptcy Code, 2016.

Loss making Group Companies

Our Group Companies have not incurred losses in the previous audited financial years.

Defunct Group Companies

During the five years immediately preceding the date of this Prospectus, none of our Group Companies has remained defunct and no application has been made to the relevant registrar of companies for striking off the name of any of our Group Companies.

Common pursuits

Except for RBIPL, RMIPL and RSCPL, which are enabled under their respective constitutional documents to carry on similar activities as those of our Company, there are no common pursuits between our Group Companies and our Company. All our Subsidiaries are either engaged in or are authorised by their respective constitutional documents to engage in the same line of business as that of our Company. As a result, there may be conflicts of interest in allocating business opportunities between us and our Group Companies. We will adopt the necessary procedures and practices as permitted by law to address any conflict situation, if and when they arise. Further, the Promoters have undertaken to not undertake any business (directly and indirectly) which competes in any manner with the business undertaken by the Company, any Group Company, in order to ensure that there is no conflict of interest between the business undertaken by our Company and the other Group Companies. For details, see "***Risk Factors - Conflicts of interest may arise out of common business objects shared by our Company and some of our Group Companies and members of Promoter Group***" on page 39.

Related business transactions with our Group Companies and significance on the financial performance of our Company

Other than the transactions disclosed in *"**Management's Discussion and Analysis of Financial Condition and Results of Operations**"* and "***Financial Statements – Restated Financial Statements – Notes to Restated Financial Statements – Note 42 – Related party disclosures***" on pages 268 and 243, respectively, there are no other related business transactions between the Group Companies and our Company.

Business interests or other interests

Except as disclosed in "***Financial Statements – Restated Financial Statements – Notes to Restated Financial Statements – Note 42 – Related party disclosures*** " on page 243, our Group Companies and our Subsidiaries do not have any business interest in our Company.

DIVIDEND POLICY

As on the date of this Prospectus, our Company does not have any formal dividend policy. The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our shareholders, at their discretion, in accordance with the provisions of our Articles of Association and applicable law, including the Companies Act 2013, read with the rules notified thereunder, each as amended, together with the applicable rules issued thereunder, and will depend on a number of factors, including but not limited to profits, capital requirements, contractual obligations, restrictive covenants in financing arrangements and the overall financial condition of our Company.

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among other, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements.

The dividend paid on the Equity Shares by our Company in the last three financial years and the period starting from April 1, 2020 till the date of this Prospectus is set out in the following table:

Particulars	From April 1, 2020 till the date of this Prospectus	For Financial Year 2020^	For Financial Year 2019	For Financial Year 2018
Number of Equity Shares	50,752,920	50,752,920	4,400,000	4,400,000
Face Value of Equity Shares	2.00	2.00	10.00	10.00
Rate of Dividend (%)	-	25	50	200
Dividend per Equity Share (in ₹)*	-	0.50	5.00	20.00
Amount of Dividend (in ₹ million)	-	25.38	22.00	88.00
Mode of payment of dividend	-	Cash	Cash	Cash

**Excluding dividend distribution tax.*

^ *Our Shareholders at the annual general meeting held on July 16, 2020, approved the recommendation of our Board to pay to its Shareholders (as on the record date, being July 10, 2020) a final dividend at the rate of 25% of the face value of the Equity Shares, equivalent to ₹ 0.50 per Equity Share, on the issued and paid-up shares, being 50,752,920 Equity Shares, for Financial Year 2020.*

SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors
Rossari Biotech Limited

Dear Sirs,

1. We have examined, as appropriate (refer paragraph 5 below), the attached Restated Consolidated Financial Information of Rossari Biotech Limited (the "Company" or the "Issuer") and its subsidiary (the Company and its subsidiary together referred to as the "Group") and its joint venture, comprising the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2020, March 31, 2019, and 2018, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the years ended March 31, 2020, 2019, and 2018, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on June 11, 2020 for the purpose of inclusion in the Red Herring Prospectus ("RHP") and Prospectus (collectively, the "Offer Documents") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

    a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

    b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

    c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Maharashtra at Mumbai in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in note 2(i) to the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the Group and of its joint venture responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective board of directors are also responsible for identifying and ensuring that the Group and its joint venture complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:

    a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated October 25, 2019 in connection with the proposed IPO;

    b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

    c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and

    d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Consolidated Financial Information have been compiled by the management from:

a) Audited consolidated Ind AS financial statements of the Group and its joint venture as at and for the year ended March 31, 2020 prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on June 11, 2020. The comparative information as at and for the year ended March 31, 2019 included in such consolidated Ind AS financial statements have been prepared by making Ind AS adjustments to the audited consolidated financial statements of the Group as at and for the year ended March 31, 2019, prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") which was approved by the Board of directors at their meeting held on September 26, 2019.

b) The Restated Consolidated Financial Information also contains the proforma consolidated Ind AS financial information as at and for the year ended March 31, 2018. The proforma consolidated Ind AS financial information have been prepared by making Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2018 which have been approved by the Board of Directors at their meetings held on September 7, 2018, as described in Note 2(i) to the Restated Consolidated Financial Information.

5. For the purpose of our examination, we have relied on:

   a) Auditors' report issued by us dated June 11, 2020 on the consolidated financial statements of the Group and its joint venture as at and for the year ended March 31, 2020 as referred in Paragraph 4 (a) above; and

   b) Auditors' reports issued by the previous auditors dated February 19, 2020 on the restated consolidated financial statements of the Group as at and for the year ended March 31, 2018, as referred in Paragraph 4 (b) above.

   The audits for the financial year ended March 31, 2018 were conducted by the Company's previous auditors, and accordingly reliance has been placed on the restated consolidated statement of assets and liabilities and the restated consolidated statements of profit and loss (including other comprehensive income), statements of changes in equity and cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information and (collectively, the "2018 Restated Consolidated Financial Information") examined by them for the said year. The examination report included for the said year is based solely on the report submitted by the previous auditors. They have also confirmed that the 2018 Restated Consolidated Financial Information:

   a) have been prepared after incorporating proforma Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2018 as described in Note 2(i) to the Restated Consolidated Financial Information;

   b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and

   c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

6. As indicated in our audit reports referred above:

   a) we did not audit financial statements of the subsidiary and the joint venture, whose share of total assets, total revenues, net cash inflows / (outflows) and share of profit/(loss) included in the consolidated financial statements, for the relevant years is tabulated below, which have been audited by other auditors, and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:

(Rs. in million)

Particulars	**As at / for the year ended March 31, 2020**	**As at/ for the year ended March 31, 2019**
Subsidiary		
Total assets	37.04	49.52

Total revenue	3.22	8.39
Net cash inflows	0.05	*
Joint venture		
Share of loss	2.18	-

** Amount less than Rs. 10,000*

Our opinion on the consolidated Ind AS financial statements is not modified in respect of this matter.

These other auditors of the subsidiary and joint venture, as mentioned above, have examined the restated financial information and have confirmed that the restated financial information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year March 31, 2020;

b) do not require any adjustment for modification as there is no modification in the underlying audit report; and

c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the previous auditors and other auditors for the respective period / year, we report that the Restated Consolidated Financial Information:

a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial year ended March 31, 2019 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the year ended March 31, 2020;

b) have been prepared after incorporating proforma Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2018 as described in Note 2(i) to the Restated Consolidated Financial Information;

c) do not require any adjustment for modification as there is no modification in the underlying audit reports; and

d) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. 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.

9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the consolidated Ind AS financial statements and audited consolidated financial statements mentioned in paragraph 4 above.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited and Registrar of Companies, Maharashtra at Mumbai in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose

or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kedar Raje
(Partner)
(Membership No.: 102637)
UDIN: 20102637AAAACE1550

Place: Mumbai

Date: July 01, 2020

ROSSARI BIOTECH LIMITED
Restated Consolidated Statement of Assets and Liabilities
(Currency: Indian Rupees in Million, unless stated otherwise)

		Particulars	Note No.	As at 31st March 2020 Ind AS	As at 31st March 2019 Ind AS	As at 31st March 2018 Proforma Ind AS
		ASSETS				
I	**NON-CURRENT ASSETS**					
	(a)	Property, Plant and Equipment	3	817.55	680.33	437.26
	(b)	Right of Use Assets	44	70.15	70.91	71.68
	(c)	Capital Work-in-Progress		217.51	28.27	23.96
	(d)	Intangible Assets	4	47.66	59.70	0.40
	(e)	Financial Assets				
		(i) Investments	5	41.75	-	-
		(ii) Other Financial Assets	6	3.96	3.51	3.08
	(f)	Income Tax Assets (Net)	7	15.76	15.53	0.16
	(g)	Deferred Tax Assets	8	0.51	0.51	0.23
	(h)	Other Non-current Assets	9	237.06	42.11	13.36
	TOTAL NON-CURRENT ASSETS			**1,451.91**	**900.87**	**550.13**
II	**CURRENT ASSETS**					
	(a)	Inventories	10	581.70	548.99	346.14
	(b)	Financial Assets				
		(i) Investments	11	137.30	-	69.11
		(ii) Trade Receivables	12	941.36	859.19	615.59
		(iii) Cash and Cash Equivalents	13a	292.11	57.42	6.25
		(iv) Bank Balances other than cash and cash equivalents	13b	980.22	2.67	3.40
		(v) Other Financial Assets	14	53.89	13.68	8.97
	(c)	Other Current Assets	15	276.66	115.63	49.91
	TOTAL CURRENT ASSETS			**3,263.24**	**1,597.58**	**1,099.37**
	TOTAL ASSETS			**4,715.15**	**2,498.45**	**1649.50**
		EQUITY AND LIABILITIES				
	EQUITY					
	(a)	Equity Share Capital	16	101.51	44.00	44.00
	(b)	Other Equity	17	2,765.28	1194.12	826.80
	TOTAL EQUITY			**2,866.79**	**1238.12**	**870.80**
	Attributable to owners			2,866.79	1238.12	870.80
	Attributable to non-controlling interests			-	-	-
	TOTAL EQUITY			**2,866.79**	**1238.12**	**870.80**
	LIABILITIES					
I	**NON-CURRENT LIABILITIES**					
	(a)	Financial Liabilities				
		Borrowings	18	339.60	6.73	12.87
	(b)	Deferred Tax Liability (Net)	19	5.40	18.12	20.52
	(c)	Provisions	20	16.26	17.51	12.45
	TOTAL NON-CURRENT LIABILITIES			**361.26**	**42.36**	**45.84**

ROSSARI BIOTECH LIMITED
Restated Consolidated Statement of Assets and Liabilities
(Currency: Indian Rupees in Million, unless stated otherwise)

Particulars			Note No.	As at 31st March 2020 Ind AS	As at 31st March 2019 Ind AS	As at 31st March 2018 Proforma Ind AS
II	**CURRENT LIABILITIES**					
	(a)	Financial Liabilities				
		(i) Borrowings	*21*	270.52	32.70	188.33
		(ii) Trade Payables				
		(a) Total outstanding dues of Small Enterprises and Micro enterprises	*22*	51.28	46.17	20.15
		(b) Total outstanding dues of creditors other than small enterprises and micro enterprises	*22*	918.76	1,013.65	419.42
		(iii) Other Financial Liabilities	*23*	161.87	100.35	76.56
	(b)	Provisions	*24*	6.66	6.02	4.64
	(c)	Current Tax Liabilities (Net)	*25*	36.61	0.28	14.40
	(d)	Other Current Liabilities	*26*	41.40	18.80	9.36
	TOTAL CURRENT LIABILITIES			**1,487.10**	**1,217.97**	**732.86**
	TOTAL EQUITY AND LIABILITIES			**4,715.15**	**2,498.45**	**1,649.50**

Note:
The accompanying notes 1 to 55 are an integral part of the Restated Consolidated Financial Statements.

In terms of our report attached
Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board

KEDAR RAJE
Partner

EDWARD MENEZES
Chairman

DIN: 00149205

SUNIL CHARI
Managing Director

DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date: July 1, 2020

Place: Mumbai
Date: June 30, 2020

ROSSARI BIOTECH LIMITED
Restated Consolidated Statement of Profit and Loss
(Currency: Indian Rupees in Million, unless stated otherwise)

	Particulars	Note No.	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
			Ind AS	Ind AS	Proforma Ind AS
I	Revenue from operations	27	6,000.94	5162.18	2990.61
II	Other Income	28	37.24	9.06	13.68
III	**Total Income (I + II)**		**6,038.18**	**5171.24**	**3004.29**
IV	**EXPENSES**				
(a)	Cost of materials consumed	29	3,692.64	3552.25	1965.79
(b)	Changes in inventories of finished goods and work-in-progress	30	24.38	(159.59)	10.77
(c)	Excise Duty		-	-	68.90
(d)	Employee benefits expense	31	372.07	275.15	198.35
(e)	Finance costs	32	35.57	28.78	13.55
(f)	Depreciation and amortization expenses	33	168.52	122.64	51.73
(g)	Other expenses	34	864.41	718.09	320.46
Total Expenses			**5,157.59**	**4537.32**	**2629.55**
V	**Restated Profit before tax for the year (III - IV)**		**880.59**	**633.92**	**374.74**
VI	Share of Loss of Joint Venture		**(2.18)**	**-**	**-**
VII	**Restated Profit before tax for the year (V - VI)**		**878.41**	**633.92**	**374.74**
VIII	**Tax Expense**				
	Current tax charge	35	238.04	178.92	108.35
	Deferred tax (credit) / charge	35	(12.16)	(1.83)	12.36
	Total Tax Expense		**225.88**	**177.09**	**120.71**
IX	**Restated Profit for the year (VII - VIII)**		**652.53**	**456.83**	**254.03**
	Attributable to owners		652.53	456.83	254.03
	Attributable to non-controlling interests		-	-	**-**
X	**Other comprehensive Income**				
(i)	Items that will not be reclassified to profit or loss				
	Remeasurements of the defined benefit plans		(2.81)	(3.21)	(0.62)
(ii)	Income tax relating to items that will not be reclassified to profit or loss		0.56	0.92	0.19
Total Other Comprehensive Income			**(2.25)**	**(2.29)**	**(0.43)**

ROSSARI BIOTECH LIMITED
Restated Consolidated Statement of Profit and Loss
(Currency: Indian Rupees in Million, unless stated otherwise)

Particulars		Note No.	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
			Ind AS	Ind AS	Proforma Ind AS
	Attributable to owners		**(2.25)**	**(2.29)**	**(0.43)**
	Attributable to non-controlling interests		-	-	-
XI	**Total comprehensive income for the period/year (IX + X)**		**650.28**	**454.54**	**253.60**
	Attributable to owners		**650.28**	**454.54**	**253.60**
	Attributable to non-controlling interests		-	-	-
XII	**Earnings per equity share** *(in Rs.)*	*36*			
	Basic		13.42	9.44	5.25
	Diluted		13.23	9.44	5.25

Note:
The accompanying notes 1 to 55 are an integral part of the Restated Consolidated Financial Statements.

In terms of our report attached

Deloitte Haskins & Sells LLP
Chartered Accountants

KEDAR RAJE
Partner

Place: Mumbai
Date: July 1, 2020

For and on behalf of the Board

EDWARD MENEZES
Chairman

DIN: 00149205

SUNIL CHARI
Managing Director

DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date: June 30, 2020

ROSSARI BIOTECH LIMITED
Restated Consolidated Statement of Changes in Equity
(Currency: Indian Rupees in Million, unless stated otherwise)

(a) Equity Share Capital

Particulars	No. of Shares	Amount
As at 1st April 2017	2,20,00,000	44.00
Changes in equity share capital during the year	-	-
As at 31st March 2018	2,20,00,000	44.00
Changes in equity share capital during the year	-	-
As at 31st March 2019	2,20,00,000	44.00
Bonus shares issued during the period (refer note 16.2)	2,64,00,000	52.80
Fresh Issue during the year (refer note 16.3)	23,52,920	4.71
As at 31st March 2020	**5,07,52,920**	**101.51**

(b) Other Equity

Particulars	Reserves and Surplus			Total
	Securities Premium	Employee Stock Options Outstanding	Retained Earnings	
Balance at 1st April 2017	**156.00**	**-**	**419.85**	**575.85**
Restated Profit for the year	-	-	254.03	**254.03**
Other comprehensive income	-	-	(0.43)	**(0.43)**
Dividend paid on equity shares *(including Dividend Distribution Tax)*	-	-	(2.65)	**(2.65)**
Balance at 31st March 2018	**156.00**	**-**	**670.80**	**826.80**
Balance at 1st April 2018 (refer note 2(i) (b))	**156.00**	**-**	**689.50**	**845.50**
Restated Profit for the year	-	-	456.83	**456.83**
Other comprehensive income	-	-	(2.29)	**(2.29)**
Dividend paid on equity shares *(including Dividend Distribution Tax)*	-	-	(105.92)	**(105.92)**
Balance at 31st March 2019	**156.00**	**-**	**1038.12**	**1194.12**
Restated Profit for the year	-	-	652.53	**652.53**
Share based payment expenses	-	4.87	-	**4.87**
Actuarial loss	-	-	(2.25)	**(2.25)**
Capitalisation on account of Bonus Issue	-	-	(52.80)	**(52.80)**
Dividend paid on equity shares *(including Dividend Distribution Tax)*	-	-	(26.48)	**(26.48)**
Premium on fresh issue of Equity Shares (refer note 15.4)	995.29	-	-	**995.29**
Balance as at 31st March 2020	**1,151.29**	**4.87**	**1,609.12**	**2,765.28**

Note:
The accompanying notes 1 to 55 are an integral part of the Restated Consolidated Financial Statements.

In terms of our report attached
Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board

KEDAR RAJE
Partner

EDWARD MENEZES
Chairman
DIN: 00149205

SUNIL CHARI
Managing Director
DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date: July 1, 2020

Place: Mumbai
Date: June 30, 2020

ROSSARI BIOTECH LIMITED
Restated Consolidated Statement of Cash flow
(Currency: Indian Rupees in Million, unless stated otherwise)

	Particulars	For the year ended 31st March 2020 Ind AS	For the year ended 31st March 2019 Ind AS	For the year ended 31st March 2018 Proforma Ind AS
A.	**Cash flows from operating activities**			
	Restated Profit before tax	880.59	633.92	374.74
	Adjustments for:			
	Loss / (Profit) on sale of property, plant and equipment (net)	0.42	(0.01)	0.82
	Provision for expected credit loss recognized on trade receivables	0.83	-	2.57
	Depreciation and amortization expenses	168.52	122.64	51.73
	Written down of Inventory to net realisable value	4.93	16.07	-
	Finance Costs	35.57	28.78	13.55
	Dividend Income	(1.11)	(0.57)	(1.56)
	Interest Income	(15.44)	(6.55)	(5.06)
	Employees Compensation expense	4.63	-	-
	Provision/Write off of doubtful advances	1.20	-	-
	Net foreign exchange (gain)/loss	(19.99)	4.88	1.47
	Net gain arising on financial assets measured at fair value through loss	0.29	2.35	-
	Operating profit before working capital Changes	**1,060.44**	**801.51**	**438.26**
	Changes in:			
	Trade receivables and other assets	(204.06)	(344.23)	(108.79)
	Inventories	(37.65)	(214.02)	(101.20)
	Trade payables and other liabilities	(68.97)	672.16	110.85
	Cash generated from operations	**749.76**	**915.45**	**339.12**
	Income taxes paid (Net of refunds)	(201.48)	(203.68)	(83.43)
	Net cash flow generated from operating activities	**548.28**	**711.77**	**255.69**
B.	**Cash flows from investing activities**			
	Net (Investment)/Proceeds on sales in financial assets - Mutual Fund	(137.38)	69.39	(69.11)
	Investment in joint venture	(43.93)	-	-
	Dividend Received	1.11	0.57	1.55
	Interest Received	13.86	5.23	5.06
	Payments for property, plant and equipment and intangible assets	(759.71)	(439.91)	(139.25)
	Proceeds from disposal of property, plant and equipment	0.83	0.01	-
	(Increase)/Decrease in earmarked and margin account (Net)	(977.79)	0.49	(2.62)
	Net cash flow used in investing activities	**(1,903.01)**	**(364.22)**	**(204.37)**
C.	**Cash flows from financing activities**			
	Proceeds from / (Repayment of) short term borrowing (Net)	249.40	(148.82)	(37.32)
	Proceeds of loans from related parties	(11.58)	354.12	-

ROSSARI BIOTECH LIMITED
Restated Consolidated Statement of Cash flow
(Currency: Indian Rupees in Million, unless stated otherwise)

Particulars	For the year ended 31st March 2020 Ind AS	For the year ended 31st March 2019 Ind AS	For the year ended 31st March 2018 Proforma Ind AS
Repayment of loans from related parties	-	(360.92)	-
Proceeds from long-term borrowings	403.67	3.23	-
Repayment of long-term borrowings	(12.58)	(11.80)	(11.39)
Interest paid	(33.00)	(21.39)	(13.59)
Dividend paid on equity shares	(26.48)	(105.92)	(2.65)
Issue of Share capital	4.71	-	-
Share Premium received	995.29	-	-
Net cash flow generated from / (used in) in financing activities	**1,569.43**	**(291.50)**	**(64.95)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	214.70	56.05	(13.63)
Opening Cash and cash equivalents	57.42	6.25	21.35
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	19.99	(4.88)	(1.47)
Closing Cash and cash equivalents	**292.11**	**57.42**	**6.25**

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard (Ind AS 7) – Statement of Cash flow.
2. Figures in bracket indicate cash outgo.
3. Additions to property, plant and equipment and intangible assets include movements in capital work-in-progress during the year.

The accompanying notes 1 to 55 are an integral part of the Restated Consolidated Financial Statements.

In terms of our report attached

Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board

KEDAR RAJE
Partner

EDWARD MENEZES
Chairman

DIN: 00149205

SUNIL CHARI
Managing Director

DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai
Date: July 1, 2020

Place: Mumbai
Date: June 30, 2020

Notes accompanying the Restated Consolidated Financial Statements for the years ended 31st March 2020, 31st March 2019 and 31st March 2018

1. Corporate information

The Restated consolidated financial statements comprise of financial statements of Rossari Biotech Ltd *('the Parent')* and its subsidiary *(collectively 'the Group') and its joint venture*.

The Parent, Rossari Biotech Limited was incorporated in the year 2009, having Corporate Identity Number U24100MH2009PLC194818. The Group has its registered office at 201-A & B, Ackruti Corporate Park, LBS Marg, Next to GE Garden, Kanjurmarg (West), Mumbai – 400078. The parent is engaged in manufacturing of speciality chemicals. The parent's products cater to global brands in the FMCG sector and find applications in a host of consumer-centric products and home and personal care products, textile chemicals and pet cosmetic products.

2. Significant Accounting Policies

i. Statement of Compliances and Basis of Preparation

(a) The Restated Consolidated Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements are the Company's first consolidated financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 'First time adoption of Indian Accounting standards'. Reconciliations and descriptions of the effect of the transition have been summarized in Note 53.

These Ind AS Financial Statements comprise Restated Consolidated Statement of Assets and Liabilities as at 31st March, 2020, and as at 31st March, 2019, Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for the year ended 31st March, 2020, and year ended 31st March, 2019, Consolidated Statement of Cash Flows, the Statement of Changes in Equity for years then ended, and a summary of significant accounting policies and other explanatory information. The Restated Consolidated Financial Statements also contain the proforma Ind AS Financial Statements as at and for the year ended 31st March 2018. These statements have been prepared by the management for the purpose of preparation of the restated Financial Statements as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the SEBI ICDR "Regulations") issued by the Securities and Exchange Board of India ('SEBI') in relation to the proposed offer for sale to certain existing shareholders of the company, to be filed by the Group with SEBI, in accordance with the requirements of:

i) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

(b) The aforesaid Financial Statements for the year ended 31st March, 2020, for the year ended 31st March, 2019 and for the year ended 31st March, 2018 have been prepared by the Group in accordance with the recognition and measurement principles of Indian Accounting Standard (as applicable), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. The proforma Ind AS Financial Statements for the year ended 31st March 2018 has been prepared by making Ind AS adjustments to the audited Indian GAAP Financial Statements as at and for the year ended 31st March 2018. Accordingly, the closing equity balance as at 31st March, 2018 of the Proforma IND AS Financial statements has not been carried forward to opening IND AS Balance Sheet as at the transition date adopted for reporting under the Companies Act, 2013.

These Restated Consolidated Financial Statements were approved by the parent's Board of Directors and authorized for issue on June 11, 2020.

(c) The Financial Statements have been prepared on accrual basis and the historical cost basis as a going concern except for certain financial instruments that are measured at fair values or at amortised cost, wherever applicable, at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Group measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observablemarkets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognized in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Assets and Liabilities are classified as Current or Non-Current as per the provisions of Schedule III to the Companies Act, 2013 and Group's Normal Operating Cycle. Based on the nature of business, the Group has ascertained its operating cycle as 12 months for the classification of assets and liabilities.

(d) **Use of estimates and judgements:**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements, and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in Note e. Accounting Estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(e) **Critical estimates and judgements**

Useful lives of property, plant and equipment and intangible assets:

Property, plant and equipment and intangible assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life. Useful lives of intangible assets are determined on the basis of estimated benefits to be derived from use of such intangible assets. Their reassessments may result in change in the depreciation /amortization expense in future periods.

Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value at each balance sheet date or at the time they are assessed for impairment. In estimating the fair value of an asset or a liability, the Company uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities require estimates to be made by the management and are disclosed in the notes to the financial statements.

Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

In view of the nationwide lockdown announced by the Government of India to control the spread of COVID-19, the Company's business operations were temporarily disrupted from March 24, 2020. The Company has resumed operations in a phased manner as per government directives. Based on the immediate assessment of impact of COVID-19 on the operations of the Company and ongoing discussions with the Customers, vendors and service providers, the Company is positive of serving customer orders and obtaining regular supply of raw materials and logistics services. The Management has considered the possible effects, if any, that may result from the pandemic on the carrying amounts of its current and non-current assets, after considering internal and external sources of information as at the date of approval of these financial statements. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Trade Receivables and Inventories. In assessing recoverability of trade receivables, the Company has considered subsequent recoveries, past trends, credit risk profiles of the customers based on their industry, macroeconomic forecasts and internal and external information available up to the date of issuance of these financial statements. In assessing the recoverability of inventories, the Company has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Company is of the view that carrying amounts of trade receivables and inventories are expected to be realisable. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements, and the Company will continue to closely monitor the developments.

Revenue from Contracts with Customers:

The Company has evaluated the impact of COVID-19 resulting from (i) the possible constraints to continue its operations and revisions in costs to fulfill the pending obligations (ii) onerous obligations (iii) penalties, if any, relating to breaches of agreements and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID-19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Financial Statements are prepared in Indian Rupee (INR) and denominated in Million.

The principal accounting policies are set out below.

Notes accompanying the Restated Consolidated Financial Statements for the years ended 31st March 2020, 31st March 2019 and 31st March 2018 (Contd.)

ii. Basis of Consolidation

The Restated Consolidated Financial Statements incorporate the Financial Statements of the parent and entities (including structured entities) controlled by the parent and its subsidiary (Rossari Personal Care Products Private Limited [Formerly known as Neutron Impex Private Limited]). Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the parent obtains control over the subsidiary and ceases when the parent loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the parent gains control until the date when the parent ceases to control the subsidiary.

A joint venture is a joint arrangement whereby the parties have the rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are accounted using the equity method of accounting. Where the Group's activities are conducted through joint operations (i.e. the parties have rights to the assets and obligation for the liabilities relating to the arrangements), the Group recognizes its share of assets, liabilities, income and expenses of such joint operations incurred jointly along with its share of income from the sale of output and any liability and expenses incurred in relation to joint operations.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the Financial Statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Transactions between the group and joint venture are eliminated in consolidated financial statement by adjusting group 's share of unrealised profit/loss from the carrying value of investment in joint venture.

iii. Revenue Recognition

(a) Sale of Goods:

Revenue from contract with customers is recognized when the Group satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

(b) Export Incentive:

Income from export incentives such as duty drawback and MEIS are recognised on an accrual basis.

(c) Dividend and Interest Income:

Dividend income from investments is recognized when the shareholder's right to receive dividend has been established.

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

iv. Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less depreciation. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying Property, Plant and Equipment upto the date the assets are ready for use. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in the Statement of Profit and Loss.

Depreciation is calculated on Written Down Value method over the estimated useful life of all assets, these lives are in accordance with Schedule II to the Companies Act, 2013.

The estimated useful lives, residual value and depreciation method are reviewed at end of each reporting period, with the effect of any change in estimate accounted for on prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain/loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in Profit and Loss.

v. Intangible Assets

The useful life of intangible assets is assessed as either finite or infinite. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses.

Intangible assets are carried at cost and amortized on a Straight-Line Basis so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful lives, residual value and depreciation method are reviewed at end of each reporting period, with the effect of any change in estimate accounted for on prospective basis.

(a) Copyright & Patent:

The expenditure incurred is amortized over the estimated period of benefit, not exceeding six years commencing with the year of purchase.

(b) Computer Software:

The expenditure incurred is amortized over three financial years equally commencing from the year in which the expenditure is incurred.

vi. Research & Development

Revenue expenditure incurred on Research and Development has been charged to the Profit and Loss Account in the year it has been incurred. Capital expenditure has been included in the Cost of Acquisition of the appropriate Fixed Assets and Depreciation thereon has been charged at regular rates prescribed.

Notes accompanying the Restated Consolidated Financial Statements for the years ended 31st March 2020, 31st March 2019 and 31st March 2018 (Contd.)

vii. Impairment

The carrying value of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting period no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

viii. Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are value at the lower of cost or net realizable value.

Cost is determined based on the First in First Out (FIFO) method. Finished goods produced and purchased for sale and work-in-progress are carried at cost or net realizable value whichever is lower. Stores, spares and consumables other than obsolete and slow-moving items are carried at cost. Obsolete and slow-moving items are valued at cost or estimated net realizable value, whichever is lower.

ix. Acquisition of interest in Joint Venture

Acquisition of interest in a joint venture, is initially recognised at cost. Any excess of the cost of the investment over the Group’s share of fair value of identifiable assets and liabilities of the investee is regarded as goodwill, which is included in the carrying value of the investment. Any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of investment, after re-assessment, is recognised in equity as capital reserve in the Period in which the investment is acquired.

x. Employee Benefits

a) Defined Contribution Plan:

Contribution payable to recognised provident fund, ESIC which are substantially defined contribution plan, is recognised as expense in the Statement of Profit and Loss, as they are incurred.

b) Defined Benefit Plan:

For defined plans in the form of gratuity, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

Remeasurements recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurements

The Group presents the first two components of defined benefit costs in profit or loss in the line item ‘Employee benefits expense’. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

xi. Foreign Exchange Transactions and Translations

Transactions in foreign currencies i.e. other than the Group's functional currency of Indian Rupees are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on revaluation are recognized in Profit and Loss in the period in which they arise.

Forward Exchange Contracts

The use of foreign currency forward contract is governed by the Group's strategy. Approved by board of Directors, which provides principle on uses of such forward contract consistent with the Group's risk management policy. The Group uses foreign currency forward contract to hedge its risk associated with foreign currency fluctuation relating to certain firm commitment and forecasted transaction for amount in excess of natural hedge available on export realization against import payment. The Group doesn't use forward contract for speculative purpose.

All derivative contracts are marked to- market and losses/gains are recognised in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

xii. Taxation

Income tax expense represents the sum of the current tax currently payable and deferred tax.

(a) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable
Profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profits nor the accounting

profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiary, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilised the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting nperiod, to recover or settle the carrying amount of its assets and liabilities.

(c) Current and Deferred Tax for the year

Current and Deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

xiii. Borrowing Costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

- Borrowing costs that are attributable to the acquisition or construction of qualifying tangible and intangible assets that necessarily take a substantial period of time to get ready for their intended use, which are capitalized as part of the cost of such assets.
- Expenses incurred on raising long term borrowings are amortized using effective interest rate method over the period of borrowings. Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

xiv. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments.

The corresponding liability to the lessor is included in the consolidated balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

With effect from April 1, 2019 Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any option to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future period is reassessed to ensure that the lease term reflects the current economic circumstances.

xv. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material provision is carried at the present value of the cash flows required to settle the obligation. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

xvi. Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the relevant instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through Profit or Loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit or Loss is recognized immediately in Profit and Loss.

Classification and subsequent measurement

(a) Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace. All recognized financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as measured at:

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI); or
- Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Profit and Loss. Any gain and loss on derecognition are recognised in Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

For equity investments, the Group makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Profit and Loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments as at FVTOCI as the Group believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in Profit and Loss. Dividend income received on such equity investments are recognised in Profit and Loss.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Profit and Loss.

(i) Financial assets at Fair value through Profit and Loss

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different basis.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurements recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other Income' line item. Dividend of financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

(ii) Impairment of Financial Assets

The Group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit impairment financial assets).

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group any has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

(iii) De-recognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than its entirety, (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognised on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(iv) Foreign Exchange Gains & Losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measure at amortized cost. Thus, the exchange differences on the amortized cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

(v) Financial liabilities and equity instruments

(a) Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(b) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit of loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(c) Compound Financial Instruments

The component parts of compound financial instruments (convertible instruments) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instruments' maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

(d) Financial Liabilities

All financial liabilities are subsequently measure at amortised cost or at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measure at amortized cost at the end of subsequent accounting period. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance cost' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(vii) Financial guarantee contracts and loan commitments

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts and loan commitments issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; or
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

xvii. Dividend Distribution

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

xviii. Use of Estimates and judgement

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed at the end of each reporting period. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period if the revision affects both current and future period.

(a) Critical accounting judgements and key source of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Useful lives of intangible assets are determined on the basis of estimated benefits to be derived from use of such intangible assets. These reassessments may result in change in the depreciation /amortization expense in future period.

(ii) Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value at each balance sheet date or at the time they are assessed for impairment. In estimating the fair value of an asset or a liability, the Group uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities require estimates to be made by the management and are disclosed in the notes to the financial statements.

(iii) Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

xix. Earnings per share

Basic earnings per share are calculated by dividing the Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted

Notes accompanying the Restated Consolidated Financial Statements for the years ended 31st March 2020, 31st March 2019 and 31st March 2018 (Contd.)

earnings per share, the Profit or Loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

xx. Share-based payment arrangements

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note no. 31.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Note 3: Property, Plant and Equipment

	Particulars	Freehold land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computer System	Total Property, Plant and Equipment
(I)	**Gross Carrying Amount**								
	Balance as at 1st April 2017	101.23	260.92	284.12	20.33	45.22	10.41	35.03	757.26
	Additions during the year	-	15.06	94.55	4.50	3.85	0.58	1.23	119.77
	Disposals during the year	-	-	(5.08)	-	(1.12)	(0.16)	-	(6.36)
	Balance as at 31st March 2018	101.23	275.98	373.59	24.83	47.95	10.83	36.26	870.67
	Balance as at 1st April 2018 (Deemed cost)	101.23	141.18	170.56	5.96	16.20	0.81	1.02	436.96
	Additions during the year	-	105.12	210.29	18.44	7.66	7.81	3.72	353.04
	Disposals during the year	-	-	-	-	-	-	(0.02)	(0.02)
	Balance as at 31st March 2019	**101.23**	**246.30**	**380.85**	**24.40**	**23.86**	**8.62**	**4.72**	**789.98**
	Additions during the year	-	171.78	108.61	0.86	7.03	3.94	1.95	294.17
	Disposals during the year	-	-	(1.74)	-	(0.53)	-	-	(2.27)
	Reclassification	-	-	(0.53)	-	-	0.53	-	-
	Balance as at 31st March 2020	**101.23**	**418.08**	**487.19**	**25.26**	**30.36**	**13.09**	**6.67**	**1,081.88**
(II)	**Accumulated depreciation**								
	Balance as at 1st April 2017	-	124.06	176.29	17.30	24.87	9.73	34.25	386.50
	Depreciation expense for the year	-	10.74	29.34	1.57	7.53	0.45	0.98	50.61
	Eliminated on disposal of asset	-	-	(2.88)	-	(0.66)	(0.16)	-	(3.70)
	Balance as at 31st March 2018	-	134.80	202.75	18.87	31.74	10.02	35.23	433.41
	Balance as at 1st April 2018	-	-	-	-	-	-	-	-
	Depreciation expense for the year	-	11.11	83.47	5.03	5.90	2.08	2.08	109.67
	Eliminated on disposal of asset	-	-	-	-	-	-	(0.02)	(0.02)
	Balance as at 31st March 2019	**-**	**11.11**	**83.47**	**5.03**	**5.90**	**2.08**	**2.06**	**109.65**
	Depreciation expense for the year	-	21.38	115.88	5.26	6.82	4.05	2.32	155.71
	Eliminated on disposal of asset	-	-	(0.77)	-	(0.26)	-	-	(1.03)
	Reclassification	-	-	(0.16)	-	-	0.16	-	-
	Balance as at 31st March 2020	**-**	**32.49**	**198.42**	**10.29**	**12.46**	**6.29**	**4.38**	**264.33**
	Net Carrying amount(I-II)								
	Balance as at 1st April 2017	101.23	136.86	107.83	3.03	20.35	0.68	0.78	370.76
	Balance as at 31st March 2018	101.23	141.18	170.84	5.96	16.21	0.81	1.03	437.26
	Balance as at 31st March 2019	101.23	235.19	297.38	19.37	17.96	6.54	2.66	680.33
	Balance as at 31st March 2020	**101.23**	**385.59**	**288.77**	**14.97**	**17.90**	**6.80**	**2.29**	**817.55**

(Currency: Indian Rupees in Million, unless stated otherwise)

Notes:
Term loans of INR 398.77 million from banks are secured by first pari passu charge created by mortgage of plant and equipment and immovable properties (including Capital Work in Progress) located at Dahej.

Note 4: Intangible Assets

	Particulars	Computer Software	Copyright & Patent	Total Intangible Assets
(I)	**Gross Carrying Amount**			
	Balance as at 1st April 2017	5.06	-	5.06
	Additions during the year	0.40	-	0.40
	Balance as at 31st March 2018	5.46	-	5.46
	Balance as at 1st April 2018 (Deemed Cost)	0.40	-	0.40
	Additions during the year	-	71.50	71.50
	Balance as at 31st March 2019	**0.40**	**71.50**	**71.90**
	Additions during the year	-	-	-
	Balance as at 31st March 2020	**0.40**	**71.50**	**71.90**
(II)	**Accumulated amortization**			
	Balance as at 1st April 2017	4.71	-	4.71
	Amortization expense for the year	0.35	-	0.35
	Balance as at 31st March 2018	5.06	-	5.06
	Balance as at 1st April 2018 (Deemed Cost)	-	-	-
	Amortization expense for the year	0.28	11.92	12.20
	Balance as at 31st March 2019	**0.28**	**11.92**	**12.20**
	Amortization expense for the year	0.12	11.92	12.04
	Balance as at 31st March 2020	**0.40**	**23.84**	**24.24**
(III)	**Net Carrying amount(I-II)**			
	Balance as at 1st April 2017	0.35	-	0.35
	Balance as at 31st March 2018	0.40	-	0.40
	Balance as at 31st March 2019	0.12	59.58	59.70
	Balance as at 31st March 2020	**-**	**47.66**	**47.66**

Notes:
The amortization expense of intangible assets has been included under 'Depreciation and amortization expenses' in the Statement of Profit and Loss.

Note 5: Investments (Non-Current)

Particulars	As at 31st March 2020		As at 31st March 2019		As at 31st March 2018	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
At Amortized Cost:						
(i) Investment in Equity Instruments (unquoted)						
- Investments in Equity Instruments of Joint Venture (refer note 41)						
Equity Shares - Buzil Rossari Private Limited	43,92,918	43.93	-	-	-	-
Share of Profit of Joint Venture	-	1.23	-	-	-	-
Stock Adjustment	-	(3.41)	-	-	-	-
Total Investments	**43,93,918**	**41.75**	-	-	-	-
Aggregate amount of quoted investments and market value thereof	-	-	-	-	-	-
Aggregate amount of unquoted investments;	-	41.75	-	-	-	-
Aggregate amount of impairment in value of investments.	-	-	-	-	-	-

(Currency: Indian Rupees in Million, unless stated otherwise)

Note 6: Other Financial Assets (Non-Current)

Particulars	As at 31st March 2020 Ind AS	As at 31st March 2019 Ind AS	As at 31st March 2018 Proforma Ind AS
Financial Assets at Amortized Cost:			
(unsecured, considered good unless otherwise stated)			
Fixed Deposit with more than 12 months maturity *(refer note below)*	3.56	3.32	3.08
Interest Accrued	0.40	0.19	-
Total Other Financial Assets	**3.96**	**3.51**	**3.08**

Notes:

Deposits are earmarked with Electricity authority INR 1.85 (31st March 2019 - INR 1.85).

Note 7: Income Tax Assets (Net) (Non-current)

Particulars	As at 31st March 2020 Ind AS	As at 31st March 2019 Ind AS	As at 31st March 2018 Proforma Ind AS
Advance Income Tax *(Net off Provision for Tax of INR 329.44 (31st March 2019 – INR 329.59, 31st March 2018 –INR 60.35))*	15.76	15.53	0.16
Total Income Tax Assets (Net)	**15.76**	**15.53**	**0.16**

Note 8: Deferred Tax Assets

Particulars	As at 31st March 2020 Ind AS	As at 31st March 2019 Ind AS	As at 31st March 2018 Proforma Ind AS
Deferred tax asset*	0.51	0.51	0.23
Total Deferred Tax Assets	**0.51**	**0.51**	**0.23**

***** Represents deferred tax assets of subsidiary refer Note 19 for details of deferred tax assets.

Note 9: Other Non-Current Assets

Particulars	As at 31st March 2020 Ind AS	As at 31st March 2019 Ind AS	As at 31st March 2018 Proforma Ind AS
Capital advances	236.78	36.08	7.57
Balance with government authorities	-	5.76	5.76
Prepaid Expenses	0.28	0.27	0.03
Total Other Non-Current Assets	**237.06**	**42.101**	**13.36**

Note 10: Inventories

Particulars	As at 31st March 2020 Ind AS	As at 31st March 2019 Ind AS	As at 31st March 2018 Proforma Ind AS
Raw Materials *(Including in transit of INR 24.06 (31st March 2019 – INR 32.98))*	303.52	266.06	259.95
Packing Materials	76.83	54.30	26.87
Work-in-progress	4.81	11.37	6.58
Finished goods	195.64	213.46	52.29
Consumables, stores and spares	0.90	3.80	0.45
Total Inventories	**581.70**	**548.99**	**346.14**

(Currency: Indian Rupees in Million, unless stated otherwise)

Notes:

10.1. The cost of Inventories recognised as an expense during the year was 3,970.46 (31st March 2019 – INR 3,768.30, 31st March 2018 – INR 2,057.15), including in respect of write down of inventories to net realizable value 4.91 (31st March 2019 – INR 16.07, 31st March 2018 –INR 9.07).

10.2. The Group has availed credit facilities from banks which are secured interalia by hypothecation of inventories.

10.3. The mode of valuation of inventories is stated in sub note viii of Note 2.

Note 11: Investments (Current)

Particulars	As at 31st March 2020		As at 31st March 2019		As at 31st March 2018	
	No. of units	Amount	No. of units	Amount	No. of units	Amount
At Fair value through profit or loss:						
Investment in mutual funds: (Quoted)						
HDFC Balance fund - Growth - Regular Plan	-	-	-	-	2,02,924	29.59
HDFC Arbitrage Fund - Wholesale Plan - Regular Plan – Growth	4,32,544.66	10.06	-	-	-	-
HDFC Liquid Fund – Growth	2,594.82	10.08	-	-	-	-
HDFC Liquid Fund - Daily Dividend Reinvest	83,804.85	85.46	-	-	-	-
Kotak Equity Arbitrage Fund Regular Plan	29,64,367.34	31.70	-	-	-	-
HDFC Prudence Fund Dividend					3,17,104	9.34
ICICI Prudential Balanced Fund Dividend					7,62,808	9.75
Kotak Equity Arbitrage Fund Dividend Reinvestment					9,56,348	10.22
ICICI Prudential Equity Arbitrage - Dividend Reinvestment					7,48,168	10.21
Total Investments	**34,83,311.67**	**137.30**	**-**	**-**	**29,87,352**	**69.11**
Aggregate amount of quoted investments and market value thereof	**-**	137.30	-	-	-	69.11
Aggregate amount of unquoted investments;	-	-	-	-	-	-
Aggregate amount of impairment in value of investments.	-	-	-	-	-	-

Note 12: Trade Receivables

Particulars	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Unsecured:			
Considered good	941.36	859.19	615.59
Considered doubtful	4.82	3.98	3.98
Receivables with Significant increase in credit risk	-	-	-
Credit impaired	-	-	-
	946.18	**863.17**	**619.57**
Less: Allowance for Expected Credit Losses	(4.82)	(3.98)	(3.98)
Total Trade Receivables	**941.36**	**859.19**	**615.59**

Notes:

12.1. Please refer Note 42 for receivables outstanding from Related Parties.

12.2. Refer Note 47 for disclosures related to credit risk and Note 48 for impairment under expected credit loss model and related disclosures

12.3. Provision is made for doubtful debt based on lifetime expected credit loss method as specified under simplified approach.

12.4. Trade receivables are hypothecated to banks against working capital facility.

Note 13a: Cash and Cash Equivalents

Particulars	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Cash and cash equivalents			
- Balances with banks	18.25	38.13	2.08
- Cheques, drafts on hand	0.18	-	-

(Currency: Indian Rupees in Million, unless stated otherwise)

Particulars	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
- Cash on hand	1.71	1.05	0.95
- Fixed deposits with maturity of less than 3 months	267.63	15.30	1.16
- Others*	4.34	2.94	2.06
Total Cash and Cash Equivalents	**292.11**	**57.42**	**6.25**

**Others include imprest given to employees*

Note 13b: Bank Balances other than cash and cash equivalents

Particulars	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Bank Balances other than cash and cash equivalents			
- Fixed Deposits with maturity greater than 3 months	980.22	2.67	3.40
Total Bank Balances other than cash and cash equivalents	**980.22**	**2.67**	**3.40**

Note 14: Other Financial Assets (Current)

Particulars	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
At Amortized Cost:			
Security and Business Deposits	11.65	8.11	8.41
Accrued interest	2.46	1.64	0.11
Others (including employee loans and IPO Expenses) *	39.66	3.93	0.45
Measured at fair value through Profit & Loss:			
Derivative instruments	0.12	-	-
Total Other Financial Assets	**53.89**	**13.68**	**8.97**

** Loans given to employees as per the Group policy are not considered for the purpose of disclosure under Section 186 (4) of the Companies Act 2013.*
Includes IPO Expense aggregating to INR 37.89 Million, to be set off against Security Premium on completion of IPO.

Notes:
14.1 Refer Note 47 for disclosures related to credit risk and Note 48 for impairment under expected credit loss model and related disclosures

Note 15: Other Current Assets

Particulars	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Balances with Government Authorities	132.32	75.34	19.97
Prepaid expenses	4.15	2.02	3.06
Advance paid to supplier	137.74	37.77	25.91
Others*	2.45	0.50	0.97
Total Other Current Assets	**276.66**	**115.63**	**49.91**

**Others include Royalty*

Note 16: Equity Share Capital

Particulars	As at 31st March 2020		As at 31st March 2019		As at 31st March 2018	
	Ind AS		Ind AS		Proforma Ind AS	
(i) Authorized:	**No. of shares**	**Amount**	**No. of shares**	**Amount**	**No. of shares**	**Amount**
Equity shares of Rs.2 each (Refer Note 16.1)	6,00,00,000	120.00	2,50,00,000	50.00	2,50,00,000	50.00
Total	6,00,00,000	120.00	2,50,00,000	50.00	2,50,00,000	50.00
(ii) Issued, Subscribed and Paid-up:						
Equity shares of Rs.2 each	5,07,52,920	101.51	2,20,00,000	44.00	2,20,00,000	44.00
Total Equity Share Capital	**5,07,52,920**	**101.51**	**2,20,00,000**	**44.00**	**2,20,00,000**	**44.00**

(Currency: Indian Rupees in Million, unless stated otherwise)

Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	Opening balance (refer note 16.1)	Bonus Issue (refer note 16.2)	Fresh Issue (refer note 16.3)	Closing balance
Equity Shares:				
(i) Year ended 31st March 2018				
No. of Shares	2,20,00,000	-	-	2,20,00,000
Amount	44.00	-	-	44.00
(ii) Year ended 31st March 2019				
No. of Shares	2,20,00,000	-	-	2,20,00,000
Amount	44.00	-	-	44.00
(iii) Year ended 31st March 2020				
No. of Shares	2,20,00,000	2,64,00,000	23,52,920	5,07,52,920
Amount	44.00	52.80	4.71	101.51

Notes:
Rights, preferences & restrictions attached to equity shares

The Parent has only one class of equity shares having a par value of Rs.2/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March, 2020		As at 31st March, 2019		As at 31st March, 2018	
	No. of shares held	% shareholding	No. of shares held	% shareholding	No. of shares held	% shareholding
Equity shares:						
Mr. Edward Menezes	2,13,68,820	42.10%	97,63,100	44.38%	97,63,100	44.38%
Mr. Sunil Chari	2,13,39,320	42.05%	97,63,100	44.38%	97,63,100	44.38%
Rossari Biotech (India) Private Limited	30,16,200	5.94%	13,71,000	6.23%	13,71,000	6.23%

Notes:
16.1 The board of Directors of the Company at its meeting held on 12th November 2019 had approved to split the equity shares of the Company from Face Value of Rs. 10 per share to Face Value of Rs. 2 per share and to increase the authorised share capital of the Company to Rs. 12,00,00,000. As a result of this:

a. The authorized share capital of the company was revised and increased from 50,00,000 equity shares of nominal value of Rs. 10 each to 6,00,00,000 equity shares of Rs. 2 each;
b. the issued and subscribed shares were increased from 44,00,000 shares to 2,20,00,000 shares; and

16.2 Further the shareholders of the Company at its meeting held on 2nd December 2019, pursuant to Section 63 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, approved a sum of Rs. 5,28,00,000 be capitalized as Bonus Equity shares out of free reserves and surplus, and distributed amongst the Equity Shareholders by issue of 2,64,00,000 Equity shares of Rs. 2/- each credited as fully paid to the Equity Shareholders in the proportion of 6 (Six) Equity share for every 5(Five) Equity shares.

16.3 Further,pursuant to Section 42 and 62 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made there underand as per the approval of the Members of the Company, the Board of Directors of the Company at their meeting held on 27th February, 2020 allotted 23,52,920 Equity Shares of the Face Value of Rs. 2/- each, at the issue price of Rs. 425/-each including a premium of Rs. 423/- each on preferential basis by way of a private placement.

(Currency: Indian Rupees in Million, unless stated otherwise)

Note 17: Other Equity

Particulars	As at 31st March 2020 Ind AS	As at 31st March 2019 Ind AS	As at 31st March 2018 Proforma Ind AS
Securities premium	1,151.29	156.00	156.00
Employee Stock Options Outstanding (Refer Note 17.1)	4.87	-	-
Retained earnings	1,609.12	1,038.12	670.80
Total Other Equity	**2,765.28**	**1,194.12**	**826.80**

Movement in Reserves

Particulars	As at 31st March 2020 Ind AS	As at 31st March 2019 Ind AS	As at 31st March 2018 Proforma Ind AS
(i) Securities Premium			
Balance as at the beginning of the year	156.00	156.00	156.00
Add: Additions during the year *(refer note no. 16.3)*	995.29	-	-
Less: Deletions during the year	-	-	-
Balance as at the end of the year	**1,151.29**	**156.00**	**156.00**
(ii) Employee Stock Options Outstanding *(refer note no. 17.1)*			
Balance as at the beginning of the year	-	-	-
Add: Additions during the year	4.87	-	-
Less: Deletions during the year	-	-	-
Balance as at the end of the year	**4.87**	**-**	**-**
(iii) Retained Earnings			
Balance as at the beginning of the year	1038.12	689.50	419.85
Add: Restated Profit during the year	652.53	456.83	254.03
Less: Dividend including tax thereon	(26.48)	(105.92)	(2.65)
Less: Actuarial gain/(loss) during the year	(2.25)	(2.29)	(0.43)
Less: Capitalized as Bonus	(52.80)	-	-
Balance as at the end of the year	**1,609.12**	**1038.12**	**670.80**
Total Other Equity	**2,765.28**	**1194.12**	**826.80**

Description of Nature and purpose of other equity:

Retained earnings:
Retained earnings represent the surplus during the year to be retained in business and not for appropriation.

Employee Stock Options Outstanding:
Employee Stock Options Outstanding represents reserve towards the premium for the equity shares to be issued against the options granted.

Securities Premium:
Securities premium account is created when shares are issued at premium. The reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

17.1 Further, The Company has granted 7,05,000 (Seven Hundred and Five Thousand) Employee Stock Options under Rossari Employee Stock Option Plan – 2019 to its identified employees. This grant is effective from 12th December, 2019. These shall vest as per the vesting schedule approved by the Board and Nomination & Remuneration Committee and can be exercised over the exercise period as approved in the meeting held on 12th December, 2019.

Note 18: Borrowings (Non-current)

Particulars	As at 31st March 2020 Ind AS	As at 31st March 2019 Ind AS	As at 31st March 2018 Proforma Ind AS
Carried at Amortized Cost:			
Secured loans – From Banks			
Vehicle Loans	-	6.73	12.87
Term Loans	339.60	-	-
Total Borrowings	**339.60**	**6.73**	**12.87**

(Currency: Indian Rupees in Million, unless stated otherwise)

Notes:

18.1. Term loans are secured by first pari passu charge created by mortgage of plant and equipment and immovable properties (including Capital Work in Progress) *located at Dahej.*
18.2. Vehicle loans were secured by way of hypothecation of underlying vehicles.
18.3. Current maturities in respect of long-term borrowings have been included in Note 23

Term loan outstanding as at years ended 31st March 2020, 31st March 2019 and 31st March 2018	**Rate of interest (p.a.)**	**Repayment Terms**
Secured		
Term loans from banks INR 217.40	8.70%	60 Monthly Installments w.e.f. November 2020
Term loans from banks INR 186.15	12M MCLR +0.15%	20 Quarterly Installments w.e.f. December 2020
Vehicle Loans	9.10%	60 Monthly Installments

Note 19: Deferred Tax Liability (Non-current)

Particulars	**As at 31st March 2020**	**As at 31st March 2019**	**As at 31st March 2018**
	Ind AS	**Ind AS**	**Proforma Ind AS**
Deferred Tax Liability	5.40	18.12	20.52
Total Deferred Tax Liability (non-current)	**5.40**	**18.12**	**20.52**

Movement in Deferred Tax balances:

Particulars	**For the year ended 31st March 2020**			
	Opening balance	**Recognized in Statement of Profit and Loss**	**Recognized in Other Comprehensive Income**	**Closing balance**
Tax effect of items constituting deferred tax liabilities:				
a) Allowances on Property, Plant and Equipment	(28.42)	13.56	-	(14.86)
Tax effect of items constituting deferred tax assets:				
a) Allowances for credit losses	1.16	(0.01)	-	1.15
b) Provision for employee benefits	4.86	(1.66)	0.56	3.76
c) Others	4.28	0.27	-	4.55
Net Tax Asset/(Liability)	**(18.12)**	**12.16**	**0.56**	**(5.40)**

Particulars	**For the year ended 31st March 2020**			
	Opening balance	**Recognized in Statement of Profit and Loss**	**Recognized in Other Comprehensive Income**	**Closing balance**
Tax effect of items constituting deferred tax asset:				
a) MAT Credit	0.51	-	-	0.51
Total Deferred Tax Assets	**0.51**	**-**	**-**	**0.51**

Particulars	**For the year ended 31st March 2019**			
	Opening balance	**Recognized in Statement of Profit and Loss**	**Recognized in Other Comprehensive Income**	**Closing balance**
Tax effect of items constituting deferred tax liabilities:				
a) Allowances on Property, Plant and Equipment	(28.78)	0.36	-	(28.42)
Tax effect of items constituting deferred tax assets:				
b) Allowance for credit losses	1.23	(0.07)	-	1.16
c) Provision for employee benefits	3.32	0.62	0.92	4.86
d) Others	3.36	0.92	-	4.28
Net Tax Asset/(Liability)	**(20.87)**	**1.83**	**0.92**	**(18.12)**

(Currency: Indian Rupees in Million, unless stated otherwise)

Particulars	For the year ended 31st March 2019			
	Opening balance	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Closing balance
MAT Credit	0.23	0.28	-	0.51
Total Deferred Tax Assets	**0.23**	**0.28**	**-**	**0.51**

Particulars	For the year ended 31st March 2018			
	Opening balance	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Closing balance
Tax effect of items constituting deferred tax liabilities:				
a) Allowances on Property, Plant and Equipment	(15.38)	(13.40)	-	(28.78)
Tax effect of items constituting deferred tax assets:				
b) Allowance for credit losses	0.44	0.79	-	1.23
c) Provision for employee benefits	2.70	0.78	0.19	3.67
d) Others	3.89	(0.53)	-	3.36
Net Tax Asset/(Liability)	**(8.35)**	**(12.36)**	**0.19**	**(20.52)**

Note 20: Provisions (Non-current)

Particulars	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Provision for employee benefits			
- Gratuity	9.93	12.78	8.14
- Leave Encashment	6.33	4.73	4.31
Total Provisions	**16.26**	**17.51**	**12.45**

Notes:
For disclosures related to employee benefits, refer note 43

Note 21: Borrowings (Current)

Particulars	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Carried at Amortized Cost:			
Secured loans			
Working Capital Loans from Banks *(refer note 21.2 below)*	19.41	21.12	169.94
Unsecured Loans			
From banks	251.11	-	-
From Related parties *(refer note 42)*	--	11.58	18.39
Total Borrowings (Current)	**270.52**	**32.70**	**188.33**

Notes:
21.1. The rate of interest ranges from 8.45% to 8.50%
21.2. Working capital facilities are secured by first pari passu charge created by hypothecation of current assets.

Note 22: Trade Payables (Current)

Particulars	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
(i) Total outstanding dues of Small Enterprises and Micro enterprises	51.28	46.17	20.15
(ii) Total outstanding dues of creditors other than small enterprises and micro enterprises *(refer note 42 for payables to related parties)*	918.76	1,013.65	419.42
Total Trade Payables	**970.04**	**1,059.82**	**439.57**

(Currency: Indian Rupees in Million, unless stated otherwise)

Micro, Small, Medium Enterprises Disclosure

Micro, Small, Medium Enterprises have been identified by the Group on the basis of the information available. Total outstanding dues of Micro, Small, Medium Enterprises, which are outstanding for more than the stipulated period are given below.

Particulars	**As at 31st March 2020 Ind AS**	**As at 31st March 2019 Ind AS**	**As at 31st March 2018 Proforma Ind AS**
Dues remaining unpaid:			
- Principal	51.28	46.17	20.15
- Interest	0.55	1.21	0.26
Interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the Act") along with the amount of payment made to the supplier beyond the appointed day during the year			
- Principal paid beyond the appointed date	106.46	218.52	20.15
- Interest paid in terms of Section 16 of the Act	-	-	
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	3.95	6.55	1.56
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	4.50	7.76	1.82
Amount of interest accrued and remaining unpaid	12.26	7.76	1.82

Notes:

22.1 Refer Note 47 for disclosures related to credit risk and Note 48 for impairment under expected credit loss model and related disclosures.

Note 23: Other Financial Liabilities (Current)

Particulars	**As at 31st March 2020 Ind AS**	**As at 31st March 2019 Ind AS**	**As at 31st March 2018 Proforma Ind AS**
Measured at Amortized Cost:			
Security Deposits	32.89	30.16	30.30
Current maturities of Long-term Debts *(refer note 18)*	59.17	5.86	8.28
Creditors for capital goods & services	55.59	55.37	37.47
Interest Accrued	13.86	7.78	-
Others *	0.36	1.18	0.51
Total Other Financial Liabilities	**161.87**	**100.35**	**76.56**

** Refer Note 42 for payable to Related Parties.*

Note 24: Provisions (Current)

Particulars	**As at 31st March 2020 Ind AS**	**As at 31st March 2019 Ind AS**	**As at 31st March 2018 Proforma Ind AS**
Provision for employee benefits			
- Gratuity	4.97	3.90	2.62
- Leave Encashment	1.69	2.12	2.02
Total Provisions	**6.66**	**6.02**	**4.64**

Notes:

For disclosures related to employee benefits, refer note 43

(Currency: Indian Rupees in Million, unless stated otherwise)

Note 25: Current Tax Liabilities (Net)

Particulars	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Provision for tax (*net of Advance Income Tax of INR 201.40 (31st March 2019 –INR 0.48, 31st March 2018 – INR 76.52)*)	36.61	0.28	14.40
Total Current Tax Liabilities	**36.61**	**0.28**	**14.40**

Note 26: Other Current Liabilities

Particulars		As at 31st March 2020	As at 31st March 2019	As at 31st March 2018
		Ind AS	Ind AS	Proforma Ind AS
(i)	Advances received from customers	16.29	1.53	4.08
(ii)	Statutory dues			
-	Taxes Payable	9.40	6.44	3.72
-	GST Payable	14.02	9.50	0.43
-	Employee Liabilities	1.69	1.33	1.13
Total Other Current Liabilities		**41.40**	**18.80**	**9.36**

Note 27: Revenue from operations

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Revenue from contracts with customers:			
Sale of products	5,981.74	5,131.33	2,983.29
Other operating revenues:			
(i) Royalty	4.04	2.79	1.86
(ii) Others*	15.16	28.06	5.46
Total Revenue from operations	**6,000.94**	**5,162.18**	**2,990.61**

**Includes Export Incentives.*

Notes:

27.1. Refer note 37 for geography wise revenue from contracts with customers

27.2. The Group is engaged in manufacturing of specialty chemicals. Effective 1st April 2016, the Group adopted Ind AS 115 "Revenue from Contracts with Customers". In terms of Ind AS 115, the Group is recognizing the revenue as and when it satisfies the performance obligation by transferring promised goods to a customer and customer obtains the benefit of the same. Hence the Group recognizes revenue at a point in time.

The effect on adoption of Ind AS 115 does not have any material impact on the financial statements of the Group.

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Contract Price	6,012.12	5,135.24	2,987.05
Less: Discounts	30.38	3.91	3.77
Total Revenue from operations	**5,981.74**	**5,131.33**	**2,983.28**

Note 28: Other Income

Particulars		For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
		Ind AS	Ind AS	Proforma Ind AS
(i)	**Interest Income:**			
-	On bank deposits	6.03	1.23	4.08
-	On loans	9.41	5.32	0.98
(ii)	**Dividend Income**	1.11	0.57	1.56

(Currency: Indian Rupees in Million, unless stated otherwise)

	Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
(iii)	**Other non-operating income:**			
-	Net Gain on foreign currency transactions & translation	19.99	1.33	5.82
-	Profit on Sales of Assets	-	0.01	-
-	Insurance Claim Received	-	-	0.60
-	Profit on Sale of Mutual Funds	-	0.01	-
-	Others	0.70	0.59	0.64
Total Other Income		**37.24**	**9.06**	**13.68**

Note 29: Cost of materials consumed

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
	Ind AS	**Ind AS**	**Proforma Ind AS**
Cost of materials consumed:			
Opening Stock of Raw Materials, Packing materials, Consumable Stores and spares	324.16	285.81	175.29
Add: Purchases (Net)	3,749.73	3,590.60	2,077.77
Less: Closing Stock of Raw Materials, Packing materials, Consumable Stores and spares	381.25	324.16	287.27
TOTAL Cost of materials consumed	**3,692.64**	**3,552.25**	**1,965.79**

Note 30: Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
	Ind AS	**Ind AS**	**Proforma Ind AS**
Opening Stock			
Work-in-progress	11.37	6.40	16.51
Finished Goods	213.46	58.84	53.13
TOTAL	**224.83**	**65.24**	**69.64**
Less: Closing Stock			
Work-in-progress	4.81	11.37	6.58
Finished Goods	195.64	213.46	52.29
TOTAL	**200.45**	**224.83**	**58.87**
Total Changes in inventories of finished goods and work-in-progress	**24.38**	**(159.59)**	**10.77**

Note 31: Employee Benefits Expense

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
	Ind AS	**Ind AS**	**Proforma Ind AS**
Salaries and wages, including bonus	338.53	256.54	186.66
Contribution to provident and other funds	16.53	10.87	7.31
Equity-settled share-based payments	4.63	-	-
Workmen & Staff welfare expenses	12.38	7.74	4.38
Total Employee Benefits Expense	**372.07**	**275.15**	**198.35**

Share-based payments

The Company has introduced a Rossari Employee Stock Option Plan, 2019 (“ESOP 2019”) as approved at the Board Meeting held on 29th November, 2019. As per the ESOP 2019, the Board of directors at board meeting dated 12th December, 2019 granted

ESOP's to the eligible employees to acquire equity shares of the Company, that vests in a graded manner. The vested options can be exercised within two years from respective vesting date or the period as specified by Nomination & Remuneration Committee (NRC) as specified in the ESOP 2019. The number of options granted is calculated in accordance with the experience and performance- based formula approved by the Board and recommended by the NRC.

The Company has granted 7,05,000 (Seven Lakh Five Thousand) Employee Stock Options under ESOP 2019 to its identified employees. This grant is effective from 12th December, 2019. These shall vest as per the vesting schedule approved by the Board and NRC and can be exercised over the exercise period as approved in the meeting held on 12th December, 2019. Personnel Cost mentioned above includes INR 1.48 Million for the year towards the said grants

Information in respect of Options outstanding as on 31st march 2020

Particulars	Number of shares	Grant date	Vesting Date	Exercise Price	Fair value at Grant Date
Equity Settled					
ESOP 2019	1,41,000	12-12-2019	30-06-2021	475	44.60
ESOP 2019	1,41,000	12-12-2019	30-06-2022	475	63.64
ESOP 2019	1,41,000	12-12-2019	30-06-2023	475	80.66
ESOP 2019	2,82,000	12-12-2019	30-06-2024	475	96.08

Movement in Share Options

Particulars	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
	Number of Shares	Weighted Average exercise price	Number of Shares	Weighted Average exercise price
The number and weighted average exercise prices of share options outstanding at the beginning of Period/year	-	-	-	-
Granted during the Period/year	705000	475	-	-
Forfeited during the Period/year	-	-	-	-
Exercised during the Period/year	-	-	-	-
Expired during the Period/year	-	-	-	-
Outstanding at the end of the Period / Period/year	**705000**	**475**	-	-
Exercisable at the end of the Period/year	-		-	-
Remaining contractual life (no of days)			-	-

The inputs used in the measurement of the fair values at grant date of the employee stock option plans (ESOPs) were as follows:

Grant Date	**12/12/2019**	**12/12/2019**	**12/12/2019**	**12/12/2019**
Exercise price per share (Rs.)	475	475	475	475
Share price on the date of grant*	425	425	425	425
Expected life of options (Years)	1.99	2.99	3.99	4.99
Volatility (% P.a.) #	20%	20%	20%	20%
Risk Free Rate of Return (%)	6.00%	6.40%	6.70%	6.90%
Dividend Yield (P.a)	1%	1%	1%	1%
Lapse Rates (P.a.)	2%	2%	2%	2%
Mortality	Not Considered	Not Considered	Not Considered	Not Considered
Options Fair Value	**44.60**	**63.64**	**80.66**	**96.08**

The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

Expected volatility has been based on an evaluation of annual volatility of peer group prevailing in the year of grant.

(Currency: Indian Rupees in Million, unless stated otherwise)

Note 32: Finance Costs

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Interest Expense:			
(i) On vehicle loans	0.49	1.37	1.75
(ii) On working capital facilities	14.42	25.11	6.87
(iii) On term loan	4.44	-	-
(iv) Other borrowing cost	16.22	2.30	4.93
Total Finance Costs	**35.57**	**28.78**	**13.55**

Borrowing costs directly relating to the acquisition, construction or production of a qualifying capital project under construction are capitalised and added to the project cost during construction until such time that the assets are substantially ready for their intended use in accordance with the Group policy which is when they are capable of commercial production. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such short-term investments is also capitalised to reduce the total capitalised borrowing cost. The Company have capitalized interest amount of INR. 4.16 million in FY 19-20 (Previous year -Nil)

Analysis of Interest Expense by category:

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Interest Expenses:	Ind AS	Ind AS	Proforma Ind AS
(a) On financial liability at amortized cost	35.57	28.78	13.55

Note:

32.1 The weighted average capitalization rate used to determine the amount of borrowing costs eligible for capitalization is 8.95% (Previous year: Nil)

Note 33: Depreciation and amortization expenses

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Depreciation on property, plant and equipment	155.71	109.67	50.61
Amortization on right of use asset	0.76	0.77	0.76
Amortization of intangible assets	12.04	12.20	0.35
Total Depreciation and amortization expenses	**168.52**	**122.64**	**51.73**

Note 34: Other Expenses

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Factory Expenses	77.43	60.47	24.62
Freight Charges	147.19	161.29	40.92
Consumption of stores, spares and consumables	16.30	22.63	13.99
Repairs and Maintenance	25.43	33.85	11.07
Travelling & Conveyance	58.10	51.32	28.88
Clearing & Forwarding Charges	32.23	34.89	23.01
Selling & Distribution expense	260.74	180.91	53.02
Exhibition, Conference & Seminars	46.61	28.52	21.06
Legal and Professional Fees	49.07	28.00	27.56
Rent	22.27	24.92	14.85
Loss on sale of Mutual Fund	0.29	2.73	-
Loss on sale of assets	0.42	-	1.08
Corporate Social Responsibility Expenditure *(refer note 39)*	14.35	4.29	3.31

(Currency: Indian Rupees in Million, unless stated otherwise)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Electricity Charges	17.44	12.64	8.49
Office Expenses	30.84	24.23	18.59
Insurance Charges	5.38	4.47	4.21
Donation	1.88	0.34	0.20
Provision for Expected credit loss	0.83	-	2.57
Payments to the Auditors as			
Statutory Audit Fees *	2.65	2.58	0.53
For Certification Matters	-	0.10	0.07
Sundry Debtors Written Off	1.20	-	-
Miscellaneous expenses	53.76	39.91	22.43
Total Other Expenses	**864.41**	**718.09**	**320.46**

* This fee does not include IPO related fee of INR 7.50, which has been accounted as Other Financial Assets (Current)under note 14

Note 35: Income Tax recognized in profit or loss

(a) Income Tax recognized in Profit and Loss

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
(i) Current Tax Charges:			
- In respect of current year	238.04	178.92	108.35
Total Current Tax Charges	**238.04**	**178.92**	**108.35**
(ii) Deferred Tax Credit:			
- In respect of current year origination and reversal of temporary differences	(12.16)	(1.83)	12.36
Total Deferred Tax Credit	**(12.16)**	**(1.83)**	**12.36**
Total Income Tax recognized in Profit and Loss (i+ii)	**225.88**	**177.09**	**120.71**

(b) Income tax recognized in Other Comprehensive Income

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
(i) Current Tax:			
Total Current Tax	**-**	-	-
(ii) Deferred Tax:			
- Remeasurements of defined benefit obligations	0.56	0.92	0.19
Total Deferred Tax	**0.56**	**0.92**	**0.19**
Classification of income tax recognised in other comprehensive income			
Income taxes related to items that will not be reclassified to profit or loss	0.56	0.92	0.19
Income taxes related to items that will be reclassified to profit or loss	-	-	-
Total Classification of income tax recognised in other comprehensive income	**0.56**	**0.92**	**0.19**

(Currency: Indian Rupees in Million, unless stated otherwise)

(c) The reconciliation of estimated income tax expense at tax rate to income tax expense reported in statement of profit or loss is as follows:

Particulars	For the year ended 31st March 2020 Ind AS	For the year ended 31st March 2019 Ind AS	For the year ended 31st March 2018 Proforma Ind AS
Restated Profit before tax	878.41	633.92	374.74
Applicable Income tax rate	25.17%	29.12%	30.90%
Expected income tax expense	221.09	184.60	115.79
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:			
Effect of expenses/provisions not deductible	6.90	1.33	1.52
Effect of concessions (Research and development and other allowances)	-	(9.98)	(17.30)
Effect of unused tax losses for which no Deferred Tax asset has been recognised	-	-	0.17
Exempt income – Dividend	(0.18)	(1.40)	-
Adjustments due to change in tax rate	(2.61)	(1.21)	-
Others*	0.68	3.66	20.53
Reported income tax expense	**225.88**	**177.09**	**120.71**

**Includes tax effect of items of expenditure in respect of earlier years recognised during previous year*

Note 36: Earnings per Share (EPS)

Particulars	For the year ended 31st March 2020 Ind AS	For the year ended 31st March 2019 Ind AS	For the year ended 31st March 2018 Proforma Ind AS
Restated Profit for the year	652.53	456.83	254.03
Weighted average no. of ordinary equity shares used in computing basic EPS	4,86,18,557	4,84,00,000	4,84,00,000
Basic EPS (face value of INR 2 per share)	**13.42**	**9.44**	**5.25**
Weighted average no. of ordinary equity shares used in computing diluted EPS	4,93,23,577	4,84,00,000	4,84,00,000
Diluted EPS (face value of INR 2 per share)	**13.23**	**9.44**	**5.25**

Reconciliation of weighted average number of equity shares

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Weighted average number of equity shares used in the calculation of Basic EPS	4,86,18,577	4,84,00,000	4,84,00,000
Add: Effect of ESOPs	7,05,000	-	-
Weighted average no. of ordinary equity shares used in computing diluted	4,93,23,577	4,84,00,000	4,84,00,000

Note 37: Segment Information

The Group deals in Specialty chemicals and considering the nature of products and the predominant risk and returns of the product are similar, the Group has only one operating segment. Hence revenue from external customers shown under geographical information is representative of revenue base on products.

Geographical Revenue:

Sr. No	Particulars	For the year ended 31st March 2020 Ind AS	For the year ended 31st March 2019 Ind AS	For the year ended 31st March 2018 Proforma Ind AS
	Segment Revenue (Gross sales)			
(i)	India	5,338.59	4,443.66	2,578.84
(ii)	Outside India	662.35	718.52	411.77
	Total Segment Revenue	**6,000.94**	**5,162.18**	**2,990.61**

(Currency: Indian Rupees in Million, unless stated otherwise)

The operating segments have been reported in a manner consistent with the internal reporting provided to Managing Director, who is the Chief Operating Decision Maker and responsible for allocating resources and assessing the performance of operating segments. Accordingly, the reportable segment is only one segment i.e. specialty chemicals.

The Group is not reliant on revenues from transactions with any single external customer and has only one customer who contributes to more than 10% of its revenues.

Note 38: Details of Research & Development

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019	For the year ended 31st March 2018
Revenue expenditure	53.53	38.62	31.39
Capital expenditure	44.13	29.29	53.75

Note 39: Details of CSR Expenditure

We firmly believe that we are a part of society & irrespective of statutory requirement, we are duty bound to contribute to the welfare of the society, accordingly, in our own way we have tried to discharge our corporate social responsibility for social cause.

A. Gross amount required to be spent by the Group during the year is INR 8.18 million

B. Amount spent during the year:

Particulars	In cash	Other than cash	Total CSR Expenditure 31st March 2020
Construction/Acquisition of any asset	-	-	-
On purpose other than above	14.35	-	14.35

Particulars	In cash	Other than cash	Total CSR Expenditure 31st March 2019
Construction/Acquisition of any asset	-	0.31	0.31
On purpose other than above	-	3.98	3.98

Particulars	In cash	Other than cash	Total CSR Expenditure 31st March 2018
Construction/Acquisition of any asset	-	-	-
On purpose other than above	-	3.31	3.31

Note 40: commitments

Commitments

Estimated amount of contracts remaining to be executed of Property, Plant and Equipments (net of advances) and not provided for INR 212.29 million.

Note 41: Disclosure of interest in Subsidiary and Joint Venture Company

The Company has a wholly owned subsidiary, Rossari Personal Care Products Private Limited (Formerly known as Neutron Impex Private Limited) which was engaged in the business of manufacturing, exporting and importing specialty chemicals, dyes, etc. upto 31st March 2015.

Details of Company's subsidiary at the end of the reporting periods are as follows:

Name of the subsidiary	Principal Activity	Place of Incorporation	Proportion of ownership interest and voting power held by the Company	Quoted (Yes/No)
Rossari Personal Care Products Private Limited (Formerly known as Neutron Impex Private Limited)	Manufacturing of specialty chemicals	Mumbai	100%	No

(Currency: Indian Rupees in Million, unless stated otherwise)

The parent has acquired a Joint Venture (JV) company, Buzil Rossari Private Limited, engaged in the business of providing industrial cleaning, hygiene, disinfectants solutions.
Details of Parent's Joint Venture Company at the end of the reporting period are as follows:

Name of the joint venture company	Principal Activity	Place of Incorporation	Proportion of ownership interest and voting power held by the Parent	Quoted (Yes/No)
Buzil Rossari Private Limited	Marketing and Distribution of speciality chemicals	Mumbai	60%	No

Summarised financial information in respect of the Group's joint venture is set out below.

Particulars	As at 31st March, 2020
Current assets	118.95
Non-current assets	13.81
Current liabilities	89.50
Non-current liabilities	0.68
The above amounts of assets and liabilities include the following:	
Cash and cash equivalents	3.07
Current financial liabilities (excluding trade and other payables and provisions)	-
Non-current financial liabilities (excluding trade and other payables and provisions)	-

The above Joint Ventures is accounted for using the equity method in these consolidated financial statements. As the above entity became the joint venture on September 30, 2019 there is *INR 2.18 million.* share of loss as on year ended 31stMarch, 2020.

Note 42: Related Party Disclosures:

(i) List of Related Parties:

a) Joint Venture *(w.e.f. 30th September 2019)*

Buzil Rossari Private Limited (Earlier enterprise over which KMP is able to exercise significant influence)

b) Key Managerial Persons (KMP)

Mr. Sunil Chari (Managing Director) *w.e.f. 26th September 2019 (Earlier Whole-time Director)*
Mr. Edward Menezes (Chairman) *w.e.f. 26th September 2019 (Earlier Managing Director)*

c)Non-Executive Directors/Relatives of Directors

Mrs. Jyotishna Chari (Director up to 12th November, 2019)
Mrs. Anita Menezes (Director up to 12th November, 2019)
Mr. Yash Chari (Relative of director)
Mr. Mikhail Menezes (Relative of director)

d) Enterprises on which key managerial persons or their relatives are able to exercise significant influence

Rossari Biotech India Pvt. Ltd
Glad Properties India Pvt. Ltd
Rossari Manuchar (I) Pvt. Ltd
Rossari Speciality Chemicals Pvt Ltd

ROSSARI BIOTECH LIMITED

Notes accompanying the Restated Consolidated Financial Statements for the years ended 31st March 2020, 31st March 2019 and 31st March 2018 (Contd.)

(Currency: Indian Rupees in Million, unless stated otherwise)

(ii) Transaction with related parties in ordinary course of business is given below:

	For the year ended 31st March, 2020				For the year ended 31st March, 2019			For the year ended 31st March, 2018		
Nature of Transaction	**KMP**	**Relatives of directors**	**Joint Venture Company**	**Enterprises on which KMP or their relatives are able to exercise significant influence**	**KMP**	**Relatives of directors**	**Enterprises on which KMP or their relatives are able to exercise significant influence**	**KMP**	**Relatives of directors**	**Enterprises on which KMP or their relatives are able to exercise significant influence**
Remuneration:										
Mr. Sunil Chari	7.35	-	-	-	5.37	-	-	9.07	-	-
Mr. Edward Menezes	7.35	-	-	-	5.37	-	-	9.07	-	-
Sales:										
Buzil Rossari Private Limited	-	-	214.69	-	-	-	124.25	-	-	-
Royalty Income:										
Buzil Rossari Private Limited	-	-	4.04	-	-	-	2.79	-	-	-
Rent paid:										
Mr. Sunil Chari	1.55	-	-	-	2.48	-	-	2.94	-	-
Mrs. Jyotishna Chari	-	0.93		-	-	1.86	-	-	1.39	-
Mr. Edward Menezes	2.48	-	-	-	4.34	-	-	4.33	-	-
Glad Properties India Pvt. Ltd	-	-	-	0.49	-	-	0.84	-	-	0.84
Expenses Reimbursement										
Buzil Rossari Private Limited			14.18	-	-	-	-	-	-	-
Vehicle hire charges:										
Mr. Sunil Chari	0.07	-		-	0.14	-	-	0.14	-	-
Mr. Edward Menezes	0.07	-		-	0.14	-	-	0.14	-	-
Salary:										
Mr. Mikhail Menezes	-	5.09		-	-	3.55	-	-	2.82	-
Mr. Yash Chari	-	5.01		-	-	0.86	-	-	0.77	-
Dividend paid:										
Mrs. Jyotishna Chari	-	0.48	-	-	-	1.91	-	-	1.91	-
Mr. Mikhail Menezes	-	0.08	-	-	-	0.30	-	0.30	-	-
Mr. Yash Chari	-	0.08	-	-	-	0.30	-	0.30	-	-
Rossari Biotech India Private Limited	-	-	-	1.37	-	-	5.48	-	-	-
Mr. Sunil Chari	9.76	-	-	-	39.05	-	-	-	-	0.98
Mr. Edward Menezes	9.76	-	-	-	39.05	-	-	-	-	0.98
Mrs. Anita Menezes	-	0.48	-	-	-	1.91	-	-	1.91	-
Sitting fees:										
Mrs. Anita Menezes	-	0.10	-	-	-	0.06	-	-	-	-
Mrs. Jyotishna Chari	-	0.10	-	-	-	0.06	-	-	-	-
Interest payable:										
Rossari Biotech India Private Limited	-	-	-	0.92	-	-	-	-	-	-

ROSSARI BIOTECH LIMITED

Notes accompanying the Restated Consolidated Financial Statements for the years ended 31st March 2020, 31st March 2019 and 31st March 2018 (Contd.)

(Currency: Indian Rupees in Million, unless stated otherwise)

	For the year ended 31st March, 2020				For the year ended 31st March, 2019			For the year ended 31st March, 2018		
Nature of Transaction	**KMP**	**Relatives of directors**	**Joint Venture Company**	**Enterprises on which KMP or their relatives are able to exercise significant influence**	**KMP**	**Relatives of directors**	**Enterprises on which KMP or their relatives are able to exercise significant influence**	**KMP**	**Relatives of directors**	**Enterprises on which KMP or their relatives are able to exercise significant influence**
Interest receivable:										
Buzil Rossari Private Limited	-	-	8.41	-	-	-	5.07	-	-	-
Commission paid:										
Buzil Rossari Private Limited	-	-	26.88	-	-	-	14.04	-	-	-
Loan given to:										
Rossari Biotech India Private Limited	-	-		6.57	-	-	-	-	-	-
Sunil Chari	-	-	-	-	-	-	-	4.38	-	-
Jyotishna Chari	-	-	-	-	-	-	-	-	0.04	-
Edward Menezes	-	-	-	-	-	-	-	4.22	-	-
Anita Menezes	-	-	-	-	-	-	-	-	0.04	-
Mikhail Menezes	-	-	-	-	-	-	-	-	0.50	-
Usha Chari	-	-	-	-	-	-	-	-	*	-
Buzil Rossari Private Limited	-	-	-	-	-	-	31.25	-	-	-
Rossari Manuchar (I) Pvt. Ltd	-	-	-	0.49	-	-	-	-	-	-
Loan repaid by :										
Sunil Chari	-	-	-	-	-	-	-	11.17	-	-
Jyotishna Chari	-	-	-	-	-	-	-	-	0.10	-
Edward Menezes	-	-	-	-	-	-	-	9.38	-	-
Anita Menezes	-	-	-	-	-	-	-	-	0.44	-
Mikhail Menezes	-	-	-	-	-	-	-	-	-	-
Usha Chari	-	-	-	-	-	-	-	-	*	-
Rossari Biotech India Private Limited	-	-	-	18.80	-	-	-	-	-	-
Buzil Rossari Private Limited	-	-		-	-	-	51.70	-	-	-
Rossari Manuchar (I) Pvt. Ltd	-	-	-	0.49	-	-	-	-	-	-
Refund of Security Deposit:										
Glad Properties (India) Pvt. Ltd	-	-	-	1.50	-	-	-	-	-	-
Sunil Chari (Eden bungalow)	0.75	-	-	-	-	-	-	-	-	-
Jyotishna Chari (Eden bungalow)	-	0.75	-	-	-	-	-	-	-	-
Outstanding's:										
Security Deposits (Asset):										
Glad Properties (I) Pvt Ltd	-	-		-	-	-	1.50	-	-	1.50
Sunil Chari (Eden bungalow)	-	-	-	-	0.75	-	-	0.75	-	-
Jyotishna Chari	-	-		-	-	0.75	-	-	0.75	-

(Currency: Indian Rupees in Million, unless stated otherwise)

	For the year ended 31st March, 2020				For the year ended 31st March, 2019			For the year ended 31st March, 2018		
Nature of Transaction	**KMP**	**Relatives of directors**	**Joint Venture Company**	**Enterprises on which KMP or their relatives are able to exercise significant influence**	**KMP**	**Relatives of directors**	**Enterprises on which KMP or their relatives are able to exercise significant influence**	**KMP**	**Relatives of directors**	**Enterprises on which KMP or their relatives are able to exercise significant influence**
Receivables:										
Rossari Specialties Chemicals Pvt ltd	-	-		-	-	-	0.02	-	-	-
Buzil Rossari Private Limited	-	-	59.04	-	-	-	71.39	-	-	-
Payables:										
Rossari Manuchar (I) Pvt. Ltd	-	-	-	-	-	-	-	-	-	0.26
Sunil Chari	-	-		-	-	-	-	-	1.65	-
Edward Menezes	-	-		-	-	-	-	-	-	-
Usha Chari	-	-		-	-	-	-	-	*	-
Mikhail Menezes	-	-		-	-	-	-	-	0.50	-
Jyotishna Chari	-	-		-	-	-	-	-	1.85	-
Anita Menezes	-	-		-	-	-	-	-	0.67	-
Loans :										
Rossari Biotech India Private Limited	-	-	-	-	-	-	11.58	-	-	-

**Amount less than INR 10,000*

Note:

On consolidation following transaction with Rossari Personal Care Products Private Limited (Formerly known as Neutron Impex Private Limited)- subsidiary has been eliminated:

Balances	**As at 31st March, 2020**	**As at 31st March 2019**
Investment in subsidiary	--	1.98
Deemed Contribution in subsidiary	0.59	0.28
Loan taken from subsidiary	-	30.14
Transactions	**For the year ended 31st March 2020**	**For the year ended 31st March 2019**
Interest on loan from subsidiary	1.98	3.90
Dividend received from subsidiary	-	4.80
Deemed Contribution in subsidiary	0.31	0.28
Purchase of Fixed Asset from subsidiary	-	0.30
Loan Repaid to subsidiary	30.78	-

42.1. All Related Party Transactions entered during the year were in ordinary course of business
42.2. No Separate actuarial valuation is obtained for amount paid to Key Managerial personnel.
42.3. All loans to related parties are repayable on demand along with prevailing market interest rate.

Note 43: Employee benefits

Defined contribution plan

The Group makes contributions towards Provident Fund, Employee's State Insurance Corporation (ESIC) for qualifying employees. The Group has recognized INR 5.74 million for the year being Group's contribution to Provident Fund and ESIC, as an expense and included in Employee Benefit Expenses in the Statement of Profit and Loss.

Defined benefit plan

(i) Gratuity plan

The Gratuity Benefits are classified as Post-Retirement Benefits as per IndAS 19 and the accounting policy is outlined as follows.

As per IndAS 19, the service cost and the net interest cost would be charged to the Profit and Loss account. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation. The Group recognizes these remeasurements in the Other Comprehensive Income (OCI).

When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

Through its gratuity plans the Group is exposed to a number of risks, the most significant of which are detailed below:

(a) Actuarial Risk

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

(b) Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

(c) Liquidity Risk

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the Group, there can be strain on the cashflows.

(d) Market Risk

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the evaluation of liability is exposed to fluctuations in the yields as at the valuation date.

(Currency: Indian Rupees in Million, unless stated otherwise)

(e) Legislative Risk

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the payment of gratuity act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Gratuity as per actuarial valuation		**Funded Plan Gratuity**		
Particulars		**As at March 31, 2020**	**As at March 31, 2019**	**As at March 31, 2018**
I	**Expense recognised in the Statement of Profit and Loss for the year ended**			
	1. Current Service Cost	3.90	3.06	2.24
	2. Interest cost on benefit obligation (Net)	1.06	0.94	0.54
	3. Net value of remeasurements on the obligation and plan assets	-	-	-
	4. Past service cost and loss/(Gain) on curtailments and settlement	-	-	0.75
	Total expenses included in employee benefits expense	**4.96**	**4.00**	**3.53**

II	**Recognised in other comprehensive income for the year**	**As at March 31, 2020**	**As at March 31, 2019**	**As at March 31, 2018**
	1. Actuarial (gains)/ losses arising from changes in financial	1.54	0.47	-
	2. Actuarial (gains)/ losses arising from changes in experience adjustment	1.34	2.67	1.08
	3. Actuarial (gains)/ losses arising from changes in demographic assumption	*	-	-
	4. Return on plan asset	(0.06)	0.07	0.09
	Recognised in other comprehensive income	**2.81**	**3.21**	**0.62**

Amount less than INR 10,000

III	**Change in the present value of defined benefit obligation**	**As at March 31, 2020**	**As at March 31, 2019**	**As at March 31, 2018**
	1. Present value of defined benefit obligation at the beginning of the year	26.85	19.86	13.24
	2. Current service cost	3.90	3.06	2.24
	3. Interest cost/(Income)	1.81	1.39	0.85
	4. Remeasurements (gains)/ losses			
	(I) Actuarial (gains)/ losses arising from changes in demographic assumption	*	-	-
	(II) Actuarial (gains)/ losses arising from changes in financial assumption	1.54	0.47	-0.55
	(III) Actuarial (gains)/ losses arising from changes in experience adjustment	1.34	2.67	1.08
	5. Past service cost	-	-	0.75
	6. Benefits paid	(0.57)	(0.59)	(0.78)
	7. Liabilities assumed/(settled)	-	-	-
	Present value of defined benefit obligation at the end of the year	**34.86**	**26.85**	**16.84**

Amount less than INR 10,000

IV	**Change in fair value of plan assets during the year**	**As at March 31, 2020**	**As at March 31, 2019**	**As at March 31, 2018**
	1. Fair value of plan assets at the beginning of the year	10.17	6.07	4.50
	2. Interest income	0.74	0.45	0.32
	3. Contribution by employer	9.56	4.30	2.13
	4. Benefits paid	(0.57)	(0.59)	(0.78)
	5. Remeasurements (gains)/ losses			
	(I) Actuarial (gains)/ losses arising from changes in demographic assumption	-	-	-
	(II) Actuarial (gains)/ losses arising from changes in financial assumption	-	-	-
	(III) Actuarial (gains)/ losses arising from changes in experience adjustment	-	-	-

(Currency: Indian Rupees in Million, unless stated otherwise)

IV	Change in fair value of plan assets during the year	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
	6. Return on plan assets excluding interest income	0.06	(0.07)	(0.09)
	Fair value of plan assets at the end of the year	**19.96**	**10.17**	**6.07**

V	Net (Liability) recognised in the Balance Sheet as at	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
	1. Present value of defined benefit obligation	34.86	26.85	16.84
	2. Fair value of plan assets	19.96	10.17	6.07
	3. Surplus/(Deficit)	**(14.90)**	**(16.69)**	**(10.76)**
	4. Current portion of the above	(4.97)	(3.90)	(2.62)
	5. Non-current portion of the above	(9.93)	(12.78)	(8.14)

VI	Actuarial assumptions	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
	1. Discount rate	6.45%	7.20%	7.50%
	2. Attrition rate	30.00% p.a at younger ages reducing to 5.00% p.a% at older ages	30.00% p.a at younger ages reducing to 5.00% p.a% at older ages	30.00% p.a at younger ages reducing to 5.00% p.a% at older ages
	3. Average salary escalation rate	10.00%	10.00%	10.00%
	4. Mortality table used	Indian Assured Lives Mortality (2012-14) Table		

VII	Major Category of Plan Assets as a % of the Total Plan Assets	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
	1. Insurer managed funds*	100%	100%	100%
	* In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.			

VIII	The expected contributions to the plan for the next annual reporting period	(4.97)	(3.90)	(2.62)

IX	Quantitative sensitivity analysis for significant assumption is as below	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
	1. Discount rate varied by +0.5%	33.82	26.08	19.29
	2. Discount rate varied by -0.5%	35.97	27.67	20.46
	3. Salary growth rate varied by +0.5%	35.57	27.45	20.30
	4. Salary growth rate varied by -0.5%	34.14	26.27	19.43
	5. Withdrawal rate (W.R.) varied + 10%	34.58	26.61	19.68
	6. Withdrawal rate (W.R.) varied - 10%	35.17	27.12	20.04

X	Maturity profile of defined benefit obligation	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
	Year 1	6.55	3.44	2.37
	Year 2	3.40	4.94	1.93
	Year 3	3.11	2.81	2.15
	Year 4	3.12	2.39	1.82
	Year 5	2.93	2.52	1.55
	More than 5 years	15.32	11.95	7.78

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.
Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

(Currency: Indian Rupees in Million, unless stated otherwise)

The current service cost and net interest cost for the year pertaining to Gratuity expenses have been recognized in "Contribution to Provident and other funds" in the statement of Profit and Loss account. The Remeasurements of the net defined benefit liability are included in Other Comprehensive Income. The leave encashment expenses have been recognized as part of "Salaries and wages" in the statement of Profit and Loss account.

(ii) Privilege Leave benefits Plan

The privilege Leave Benefits are classified as Post-Retirement Benefits as per Ind AS 19 and the accounting policy is outlined as follows.

The Privilege Leave benefits are classified as Other Long-term employee benefits as per Ind AS 19 and the accounting policy is outlined as follows.

Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation. The Group recognizes these actuarial gains and losses immediately in the statement of profit and loss as income or expense.

When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

It was informed by the Group that Privilege Leave benefits liabilities of the Group are unfunded.

There are no minimum funding requirements for a Privilege Leave benefits plans in India and there is no compulsion on the part of the Group to fully prefund the liability of the Plan.

Since the liabilities are unfunded, there is no Asset-Liability Matching strategy devised for the plan.

The Actuarial Value of Defined Benefit Obligation calculated using the above stated assumptions is INR 10.40 million.
This is the amount to be provided in the Balance Sheet as 'Provision towards Privilege Leave benefits Liability' as at 31-March-2020.

Bifurcation of Liability	**31st March 2020**	**31st March 2019**	**31st March 2018**
	Ind AS	**Ind AS**	**Proforma Ind AS**
Current liability	1.69	2.12	2.02
Non-current liability	6.33	4.73	4.31
Net liability	**8.02**	**6.85**	**6.33**

Note 44: Leases

Following are the changes in the carrying value of right of use assets for the year ended march 31, 2020:

Particulars	**31st March 2020**	**31st March 2019**	**31st March 2018**
	Ind AS	**Ind AS**	**Proforma Ind AS**
Opening Balance	70.91	71.68	72.44
Reclassified on account of adoption of Ind AS 116	-	-	-
Additions	-	-	-
Deletions	-	-	-
Depreciation	0.76	0.77	0.76
Closing Balance	**70.15**	**70.91**	**71.68**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rent expense recorded for short-term leases was INR 22.27 million for the year ended March 31, 2020.

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

At the date of commencement of the lease, the Group recognizes a right-of-use asset *("ROU")* and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include the options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease inventories. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in the circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measure at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Transition

Effective from April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Group's incremental borrowing rate at the date of initial application. Comparatives as at end of the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies.

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset as at the date of initial application
- Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

Note 45: Capital management

The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimize returns to shareholders. The capital structure of the Group is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, customer, creditors and market confidence.
The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

The Group may take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

(Currency: Indian Rupees in Million, unless stated otherwise)

Particulars	31st March 2020	31st March 2019	31st March 2018
	Ind AS	Ind AS	Proforma Ind AS
Short term debt	270.52	32.70	188.33
Long term debt	398.77	12.59	21.15
Total debt	**669.29**	**45.29**	**209.48**
Equity	2,866.79	1,238.12	870.80
Long term debt to equity	0.14	0.01	0.02
Total debt to equity	0.23	0.04	0.24

Note 46: Financial Risk management framework

The Group has formulated and implemented a policy on risk management, so as to develop an approach to identify, assess and manage the various risks associated with our business activities in a systematic manner. The policy lays down guiding principles on proactive planning for identifying, analyzing and mitigating material risks, both external and internal, and covering operational, financial and strategic risks. After risks have been identified, risk mitigation solutions are determined to bring risk exposure levels in line with risk appetite. The Group's risk management policies and systems are reviewed regularly to reflect changes in market conditions and our business activities. The Group's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest risks. For COVID related disclosures refer note 2 (i) e in our critical estimates and judgements.

Market Risk

The Group's size and operations result in it being exposed to the market risks that arise from its use of financial instruments namely Currency risk, Interest risks. These risks may affect the Group's income and expenses, or the value of its financial instruments. The Group's exposure to and management of these risks are explained below.

Interest Rate Risk

Interest rate risk results from changes in prevailing market interest rates, which can cause a change in the fair value of fixed-rate instruments and changes in the interest payments of the variable-rate instruments. Our operations are funded to a certain extent by borrowings. Our current loan facilities carry interest at variable rates as well as fixed rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive cost of funding.

Currency Risk

The Group is exposed to exchange rate risk as certain portion of our revenues and expenditure are denominated in foreign currencies. We import certain raw materials, the price of which we are required to pay in foreign currency, which is mostly the USD or EURO. Products that we export are paid for in foreign currency, which together acts as a natural hedge. Any appreciation/depreciation in the value of the Rupee against USD, EURO or other foreign currencies would Increase/decrease the Rupee value of debtors/ creditors. For exposure beyond natural hedge, the Group uses foreign exchange derivatives such as foreign exchange forward contracts to minimize the risk.

The carrying amount of the Group's foreign currency exposure at the end of the reporting periods are as follows:

Particulars (INR in million)	As at 31st March 2020		As at 31st March 2019		As at 31st March 2018	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
USD	161.55	134.04	162.84	136.77	80.33	20.71
EURO	-	0.18	-	7.07	-	5.84

Liquidity risk

Liquidity risk management

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure that we have sufficient liquidity or access to funds to meet our liabilities when they are due.

(Currency: Indian Rupees in Million, unless stated otherwise)

(i) Maturity profile of financial liabilities:

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars (INR in million)	**Carrying amount in Balance sheet**	**Less than 1 Year**	**2nd and 3rd Year**	**4th and 5th Year**	**Above 5 years**
As at 31st March 2020					
Short term borrowings	270.52	270.52	-	-	-
Long term borrowings	339.60	-	159.51	159.51	20.58
Trade payables	970.04	970.04	-	-	-
Other Financial Liabilities	161.87	161.87	-	-	-
Total Financial Liabilities	**1,742.03**	**1,402.43**	**159.51**	**159.51**	**20.58**
As at 31st March 2019					
Short term borrowings	32.70	32.70	-	-	-
Long term borrowings	6.73	-	6.73	-	-
Trade payables	1,059.82	1,059.82	-	-	-
Other Financial Liabilities	100.35	100.35	-	-	-
Total Financial Liabilities	**1,199.60**	**1,192.87**	**6.73**	**-**	**-**
As at 31st March 2018					
Short term borrowings	188.33	188.33	-	-	-
Long term borrowings	12.87	-	11.92	0.95	-
Trade payables	439.57	439.57	-	-	-
Other Financial Liabilities	76.56	76.56	-	-	-
Total Financial Liabilities	**717.33**	**704.46**	**11.92**	**0.95**	-

(ii) Financing Arrangements:

Particulars (INR in million)	**31st March 2020**	**31st March 2019**	**31st March 2018**
	Ind AS	**Ind AS**	**Proforma Ind AS**
Secured Working Capital facilities:			
- Expiring within one year	19.41	21.12	169.94
- Expiring beyond one year	-	-	-

Note 47: Credit Risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. The Group's customer base majorly has creditworthy counterparties which limits the credit risk. The Group's exposures are continuously monitored and wherever necessary we take advances/LCs to minimize the risk.

Note 48: Trade receivable and advances

The Group applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables/Advances. The Group has computed expected credit losses based on actual basis. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

Reconciliation of loss allowance for trade receivables:

(Currency: Indian Rupees in Million, unless stated otherwise)

Particulars (INR in million)	**31st March 2020**	**31st March 2019**	**31st March 2018**
	Ind AS	**Ind AS**	**Proforma Ind AS**
Balance as at beginning of the year	3.98	3.98	1.41
Additions during the year	0.84	-	2.57
Balance at end of the year	**4.82**	**3.98**	**3.98**

In respect of other financial assets, the maximum exposure to credit risk at the end of the reporting period approximates the carrying amount of each class of financial assets.

Note 49: Sensitivity Analysis

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant.

Particulars (INR in million)	**Currency**	**Change in rate**	**Effect on Profit Before Tax**
Year ended 31st March 2020	USD	10%	2.75
	EURO	10%	(0.02)
Year ended 31st March 2019	USD	10%	2.61
	EURO	10%	0.71
Year ended 31st March 2018	USD	10%	6.04
	EURO	10%	(0.59)

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

The sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest Rate sensitivity

The sensitivity analysis below has been determined based on exposure to interest rate for both Term Loans & Working Capital loans.

The following table demonstrates the sensitivity in interest rates on that portion of loans and borrowings which are not hedged, with all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars (INR in million)	**Currency**	**Increase/Decrease in basis points**	**Effect on profit before tax**
Year ended 31st March 2020	INR	50	2.24
Year ended 31st March 2019	INR	50	0.72
Year ended 31st March 2018	INR	50	0.18

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

Note 50: Offsetting Of balances:

The Group has not offset financial assets and financial liabilities, unless permissible contractually.

Note 51: Collaterals

The Group has long term loans and working capital loans which are secured mortgage of *plant and equipment and* immovable properties located at Silvassa & Dahej.

(Currency: Indian Rupees in Million, unless stated otherwise)

Note 52: Fair Value Disclosures

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

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

- Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
  The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

All financial liabilities and financial assets have no material impact.

Financial instruments measured using Fair Value.

Particulars	Carrying Value	Fair value (Level 2)	Valuation Technique
As at 31st March 2020			
Investment in Mutual Fund	137.23	137.30	Quoted Market Price
Derivative Instruments	248.01	248.13	The fair value of forward contracts is determined using forward exchange rate as at the balance sheet date
As at 31st March 2019			
Investment in Mutual Fund	-	-	
Derivative Instruments	-	-	
As at 31st March 2018			
Investment in Mutual Fund	71.56	69.11	Quoted Market Price
Derivative Instruments	-	-	

Except for the above, carrying value of Other financial assets/liabilities represent reasonable estimate of fair value.

Note 53: Statement of Reconciliation between Indian GAAP and Restated Ind AS

First Time Ind AS Adoption:

(i) Ind AS 101 (First-time Adoption of Indian Accounting Standards) provides a suitable starting point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The Group has prepared the Opening Balance Sheet as per Ind AS of 1st April 2018 (the transition date) by:

a. recognizing all assets and liabilities whose recognition is required by Ind AS,
b. not recognizing items of assets or liabilities which are not permitted by Ind AS,
c. reclassifying items from previous Generally Accepted Accounting Principles (GAAP) to Ind AS required under Ind AS, and
d. applying Ind AS in measurement of recognised assets and liabilities

(Currency: Indian Rupees in Million, unless stated otherwise)

(A) Reconciliations of total comprehensive income is summarized as follows:

Particulars	Notes	For the year ended 31st March 2019	For the year ended 31st March 2018
Profit after tax as reported under previous GAAP		453.50	290.13
Amortization of Non-Financial Assets		(0.76)	(0.20)
Actuarial Valuation impact on employee benefits	*(C)*	9.76	(1.24)
Reclassification of Actuarial Losses arising in respect of employee benefit schemes to other comprehensive income	*(C)*	3.21	(0.62)
Allowance for expected credit loss		-	(2.57)
Deferred tax Adjustments for above items		(8.88)	(15.14)
Profit after tax as reported under Restated Ind AS		**456.83**	**270.36**
Other comprehensive income (including deferred tax impact thereon)		(2.29)	(0.62)
Total other comprehensive income		**454.54**	**269.74**
Restatements:			
MTM Impact of Mutual Fund investments		-	(2.44)
Valuation of inventory		-	(13.70)
Total other comprehensive income under Restated Ind AS		**454.54**	**253.60**

(B) Reconciliation of total equity as reported under previous GAAP is summarized as follows:

Particulars	Notes	For the year ended 31st March 2019	For the year ended 31st March 2018
Equity as reported under previous GAAP		1,247.27	899.69
Prior period expenses	*(a)*	(12.62)	(41.42)
Impact of measuring investments at fair value		-	(2.44)
Property, Plant and Equipment	*(b)*	(75.91)	(75.91)
Prepaid lease (land)		70.91	75.15
Inventory		-	(13.70)
Allowance for Expected credit loss		(3.98)	(2.57)
Employee benefits	*(c)*	4.36	2.92
Deferred tax Adjustments for above items		(35.91)	(14.92)
Equity as reported under Ind AS		**1,194.12**	**826.80**

Notes:

Ind AS 101 mandates certain exceptions and allows first-time adopters exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions in the financial statements:

(a) Prior period expenses relate to employee benefit expenses.

(b) Property, plant and equipment and intangible assets were carried at cost in the Balance Sheet prepared in accordance with previous GAAP on 31st March 2018. Under Ind AS, the Group has elected to apply Ind AS 16 - Property, Plant and Equipment retrospectively at the date of transition.

(c) As required by the provisions of para 120(c) read with 122 and 127 of Ind AS 19 'Employee Benefits', the actuarial gains/losses should be accounted as remeasurements of the net defined benefit liability/ (asset). The remeasurements will be recognised in other comprehensive income and shall not be reclassified to profit or loss in subsequent period but may be transferred within equity.

There are no material adjustments to the statement of Cash Flows as reported under the previous GAAP.

(Currency: Indian Rupees in Million, unless stated otherwise)

Note 54: Additional Disclosures

Name of the entity	As at March 31, 2020							
	Net Assets i.e. Total Assets Minus Total Liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount
Parent								
Rossari Biotech Limited	98.88%	2,834.74	100.41%	655.22	100.00%	(2.25)	100.41%	652.97
Indian Subsidiary								
Rossari Personal Care Products Private Limited (Formerly known as Neutron Impex Private Limited)	1.28%	36.79	(0.08%)	(0.51)	-	-	(0.08%)	(0.51)
Indian Joint Venture (Investment as per equity method)								
Buzil Rossari Private Limited	-	-	(0.33%)	(2.18)	-	-	(0.33%)	(2.18)
Eliminations	(0.16%)	(4.74)	-	-	-	-	-	-
Total	**100.00%**	**2,866.79**	**100.00%**	**652.53**	**100.00%**	**(2.25)**	**100.00%**	**650.28**

Name of the entity	As at 31st March 2019							
	Net Assets i.e. Total Assets Minus Total Liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount
Parent								
Rossari Biotech Limited	97.19%	1,203.38	100.23%	457.89	100.00%	(2.29)	100.23%	455.60
Indian Subsidiary								
Rossari Personal Care Products Private Limited (Formerly known as Neutron Impex Private Limited)	2.99%	36.99	0.82%	3.74	-	-	0.82%	3.74
Indian Joint Venture (Investment as per equity method)								
Buzil Rossari Private Limited	-	-	-	-	-	-	-	-
Eliminations	(0.18) %	(2.26)	(1.05) %	(4.80)	-	-	(1.05) %	(4.80)
Total	**100.00%**	**1,238.12**	**100.00%**	**456.83**	**100.00%**	**(2.29)**	**100.00%**	**454.54**

(Currency: Indian Rupees in Million, unless stated otherwise)

Name of the entity	As at 31st March 2018							
	Net Assets i.e. Total Assets Minus Total Liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Assets	Amount
Parent								
Rossari Biotech Limited	96.05%	836.43	100.22%	254.65	100.00%	(0.43)	100.22%	254.22
Indian Subsidiary								
Rossari Personal Care Products Private Limited (Formerly known as Neutron Impex Private Limited)	4.22%	36.72	(0.22) %	(0.57)	-	-	(0.22) %	(0.57)
Indian Joint Venture (Investment as per equity method)								
Buzil Rossari Private Limited	-	-	-	-	-	-	-	-
Eliminations	(0.27) %	(2.36)	-	-	-	-	-	-
Total	**100.00%**	**870.80**	**100.00%**	**254.08**	**100.00%**	**(0.43)**	**100.00%**	**253.66**

Note 55: Statement on Adjustments to Restated Consolidated Financial Statements

The summary of results if restatements made in the financial statements for the respective years and its impact on the profit of the Group is as follows:

Particulars	Ind AS	Ind AS	Proforma Ind AS
	For the year ended 31st March, 2020	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(A) Net profit as per audited financial statements	650.28	453.50	290.13
(B) Adjustments for:			
Amortization of ROU (a)	-	(0.76)	(0.20)
Actuarial valuation impact on employee benefits (b)	-	12.97	(1.86)
MTM impact on Mutual Fund investments (c)	-	-	(2.44)
Valuation of inventory (d)	-	-	(13.70)
Deferred tax impact on above changes	-	(8.88)	(15.14)
(C) Ind AS Adjustments:			
Allowance for expected credit loss (e)	-	-	(2.57)
(D) Total Adjustments (B+C)	**-**	**3.33**	**(35.91)**
Other comprehensive income (including deferred tax impact thereon)	-	(2.29)	(0.62)
Restated Profit	**650.28**	**454.54**	**253.60**

(Currency: Indian Rupees in Million, unless stated otherwise)

Notes:

(a) Amortisation of ROU – Upto the year ended March 31, 2019 Leasehold land was shown under Capital work in progress and not amortised over tenure of lease. Accordingly, Amortization of ROU is restated for the years ended March 31, 2019 and March 31, 2018.

(b) Actuarial valuation impact on employee benefits – Upto the year ended March 31, 2018 the company did not make provision for gratuity and compensated absences in accordance with the requirement of the AS-15. Accordingly, provision for gratuity and compensated absences has been restated by the company for the year ended March 2019 and March 2018.

(c) MTM impact on Mutual Fund investments – As per Ind AS 113 requirement fair valuation of Mutual fund have been done. Accordingly, MTM impact is shown as restatement for the year ended March 31, 2018.

(d) Valuation of Inventory – Upto the year ended March 31, 2018 overheads were not correctly loaded for the purpose of inventory valuation. Accordingly, the same is restated for the year ended March 31, 2018.

(e) Allowance for expected credit loss – AS per Ind AS 109 requirement expected credit loss impact on Trade receivable has been worked out for the purpose of restated financial statement and shown as adjustments.

For and on behalf of the Board

EDWARD MENEZES
Chairman
DIN: 00149205

SUNIL CHARI
Managing Director
DIN: 00149083

MANASI NISAL
Chief Financial Officer

PARUL GUPTA
Company Secretary

Place: Mumbai

Date: June 30, 2020

(Currency: Indian Rupees in Million, unless stated otherwise)

Restated Consolidated Statement of Accounting Ratios

Particulars	For year ended 31st March 2020	For year ended 31st March 2019	For year ended 31st March 2018
EBITDA	1,045.26	776.28	426.34
EBITDA Margin (%)	17.42	15.04	14.26
Net Restated Profit attributable to equity shareholders	652.53	456.83	254.03
Earnings per share (EPS)			
- Basic (INR)	13.42	9.44	5.25
- Diluted (INR)	13.23	9.44	5.25
Net worth	2,866.79	1,238.12	870.80
Return on Net Worth (%)	31.79	43.32	34.08
Net Asset value per share (INR)	56.48	25.58	17.99
Weighted Average no. of equity shares outstanding during the year for Basic EPS	4,86,18,577	4,84,00,000	4,84,00,000
Weighted Average no. of equity shares outstanding during the year for Diluted EPS	4,93,23,577	4,84,00,000	4,84,00,000
Total shares outstanding at the end of the year	5,07,52,920	4,84,00,000	4,84,00,000

EBITDA = Revenue from operations - Cost of materials consumed - Changes in inventories of finished goods and work-in-progress - Excise Duty - Employee benefits expense - Other expenses

EBITDA Margin = $\dfrac{\text{EBITDA}}{\text{Revenue from operations}}$

Basic EPS = $\dfrac{\text{Net Profit after tax, as restated, attributable to equity shareholders}}{\text{Weighted average no. of equity shares outstanding during the year}}$

Diluted EPS = $\dfrac{\text{Net Profit after tax, as restated, attributable to equity shareholders}}{\text{Weighted average no. of diluted equity shares outstanding during the year}}$

Return on Net Worth (%) = $\dfrac{\text{Net Profit after tax, as restated, attributable to equity shareholders}}{\text{Average Net worth of opening \& closing}}$

Net Asset Value per share = $\dfrac{\text{Net Worth at the end of the year}}{\text{Total number of equity shares outstanding at the end of year}}$

(Currency: Indian Rupees in Million, unless stated otherwise)

Restated Consolidated Statement of Capitalization

Particulars	Pre-Offer as at 31st March 2020	As adjusted for the proposed Offer
Borrowings		
Short term debt	270.52	270.52
Long term debt	339.60	339.60
Current maturities of long-term debt	59.17	59.17
Total Debt	**669.29**	**669.29**
Shareholders' Funds		
Share Capital		
- Equity	101.51	103.86
- Reserves & Surplus	2,765.28	3,200.30
Total Equity	**2,866.79**	**3,304.16**
Debt/Equity Ratio	0.23	0.20
Long term Debt/Equity Ratio	0.14	0.10

Notes:

1. The details of borrowings under "As adjusted for the proposed Offer" have not been adjusted for any proceeds/repayments of borrowings subsequent to March 31, 2020. However, the Company shall utilize INR 650 million towards repayment of certain indebtedness, which forms a part of the Utilization of Net Proceeds.

2. The amounts for Equity and Reserves and Surplus under "As adjusted for the proposed Offer" have been derived after considering the impact of issue of 11,76,470 number of equity shares at Rs.2 each at a premium of Rs. 423 per equity share through fresh issue of equity shares, and have been adjusted for Company's share of offer expenses on account of the Pre-IPO Placement and the Fresh Issue. The Equity shares are yet to be allotted. The figures above may be required to be adjusted depending on, inter alia, the actual number of equity shares allotted upon finalisation of Basis of Allotment.

(Currency: Indian Rupees in Million, unless stated otherwise)

Restated Consolidated Statement of Rates and Amount of Dividend Declared

Particulars	**For year ended 31st March 2020**		**For year ended 31st March 2019**		**For year ended 31st March 2018**	
Share Capital	101.51		44.00		44.00	
Dividend Declared:	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**
- Interim	-	-	-	-	-	-
- Final	-	-	50%	22.00	200%	88.00
Total	-	-	50%	22.00	200%	88.00
Dividend Distribution Tax	-	-		4.48		16.94

(Currency: Indian Rupees in Million, unless stated otherwise)

Restated Consolidated Statement of Tax Summary

Particulars	For year ended 31st March 2020	For year ended 31st March 2019	For year ended 31st March 2018
Applicable Income Tax rate	25.17%	29.12%	30.90%
Restated Profit Before Tax (A)	878.41	633.92	374.74
Tax at Notional Rate	221.10	184.60	115.79
Permanent Differences:			
Expense not allowed as deduction	27.40	4.59	4.92
- R&D expense allowed as additional deduction	-	(33.96)	(56.01)
- Income exempt from tax	0.73	(5.37)	-
- Others	2.11	(4.48)	66.43
- **Total Permanent Differences (B)**	**30.24**	**(39.22)**	**15.34**
Timing Differences:			
Difference between tax depreciation and book depreciation	38.54	(7.97)	(43.38)
- Retirement benefits	(1.20)	26.14	0.80
- Others	(0.27)	1.53	3.15
- **Total Timing Differences (C)**	**37.07**	**19.70**	**(39.43)**
Net Difference (D= B+C)	**67.31**	**(19.52)**	**(24.09)**
Tax saving thereon	16.94	(5.68)	(7.44)
Tax Liability			
Current tax provision for the year	238.04	178.92	108.35

OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company as at and for the year ended March 31, 2020, March 31, 2019, and March 31, 2018 ("**Standalone Financial Statements**") are available at https://www.rossari.com/about/investor-relations/annualreports-rbl/. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Standalone Financial Statements do not constitute, (i) a part of this Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Standalone Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Standalone Financial Statements, or the opinions expressed therein.

For details of accounting ratios, see "***Financial Statements – Restated Consolidated Statement of Accounting Ratios***" on page 260.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at March 31, 2020, on the basis of our Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", "***Financial Statements***" and "***Risk Factors***" on pages 268, 201 and 24, respectively.

(₹ in million, except ratios)

Particulars	Pre-Offer as at March 31, 2020	As adjusted for the proposed Offer
Borrowings		
Short term debt	270.52	270.52
Long term debt	339.60	339.60
Current maturities of long-term debt	59.17	59.17
Total Debt	**669.29**	**669.29**
Shareholders' Funds		
Share Capital		
- Equity	101.51	103.86
- Reserve and surplus	2,765.28	3,200.30
Total Equity	**2,866.79**	**3,304.16**
Total Debt/Equity Ratio	**0.23**	**0.20**
Long term Debt/Equity Ratio	**0.14**	**0.10**

Notes:

1. The details of borrowings under "As adjusted for the proposed Offer" have not been adjusted for any proceeds/repayments of borrowings subsequent to March 31, 2020. However, the Company shall utilize ₹ 650 million towards repayment of certain indebtedness, which forms a part of the Utilization of Net Proceeds.

2. The amounts for Equity and Reserves and Surplus under "As adjusted for the proposed Offer" have been derived after considering the impact of issue of 1,176,470 number of equity shares at ₹ 2 each at a premium of ₹ 423 per Equity Share through fresh issue of Equity Shares, and have been adjusted for Company's share of offer expenses on account of the Pre-IPO Placement and the Fresh Issue. The Equity Shares are yet to be allotted. The figures above may be required to be adjusted depending on, inter alia, the actual number of Equity Shares allotted upon finalisation of Basis of Allotment.

FINANCIAL INDEBTEDNESS

Our Company and Subsidiaries avail loans in the ordinary course of business for meeting their working capital and business requirements. Our Company has obtained the necessary consents required under the relevant loan documentation for undertaking activities, such as among others, change in our board of directors, change in our capital structure, change in our shareholding pattern and change in our constitutional documents.

Pursuant to a resolution passed by our Shareholders dated February 22, 2019 our Board has been authorised to borrow any sum or sums of monies in excess of our Company's aggregate paid-up capital and free reserves, provided that the total amount which may be so borrowed and outstanding shall not exceed a sum of ₹5,000 million for our Company.

The details of indebtedness of our Company on consolidated basis as on June 25, 2020 is provided below:

Category of borrowing	Sanctioned amount (in ₹ million)	Outstanding amount (in ₹ million)
Fund based borrowings		
Term Loans	650.00	402.23
Cash Credit	485.00	-
Over draft facility	200.00	-
Working capital demand loan	300.00	250.00
PCFC limit	35.00	27.41
DRUL	5.00	-
Auto loan	22.60	-
Sub total (A)	**1,697.60**	**679.64**
Non-fund based borrowings		
Bank guarantees	3.10	2.25
Letter of credit	300.00	40.93
PSR limit	30.00	-
Sub total (B)	**333.10**	**43.18**
Total	**2,030.70**	**722.82**

Principal terms of the borrowings availed by our Company on a consolidated basis

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

1. ***Interest:*** The interest rate for our working capital facilities is typically tied to a base rate/ MCLR as specified by respective lenders with a yearly reset option. The base rate/ MCLR may vary from lender to lender.

2. ***Prepayment Penalty:*** Some of the facilities availed by us carry a pre-payment penalty on the pre-paid amount or on the outstanding amount, as applicable, or such other penalty as may be levied at the discretion of the lenders.

3. ***Penal Interest***: The terms of the facilities availed by us prescribe penalties for delayed payment or default in the repayment obligations, delay in creation of the stipulated security or certain other specified obligations, which typically ranges from 2% to 18% on loan to loan basis as may be applicable.

4. ***Validity/Tenor:*** The tenor of the term loan availed by us is for 72 months and tenor of working capital facilities ranges from 90 days to 1 year, with an option of renewal.

5. ***Security:*** In terms of our borrowings where security needs to be created, such security typically includes:

   (a) Charge by way of hypothecation on movable fixed assets, book debts and all other current assets, both present and future;

   (b) Charge by way of mortgage on both present and future movable fixed assets and immovable assets, owned or leased; and

   (c) Personal guarantees from our Promoters.

6. ***Repayment:*** The term loans availed by our Company are typically repayable in monthly instalments and the working capital facilities are typically repayable on demand.

7. ***Key Covenants:*** Several of our financing arrangements entail various restrictive covenants and conditions restricting certain corporate actions, and we are required to take the lender's prior written consent and/or intimate the respective lender before carrying out such actions, including for:

(a) any change or modification in the ownership of the company;

(b) any change or modification in the capital structure;

(c) any change or alteration in the Memorandum of Association or Articles of Association

(d) any change in the management of the company;

(e) any change in the shareholding pattern of the company;

(f) undertake any guarantee obligations on behalf of any other company, firm or person;

(g) any amalgamation, merger, demerger or corporate restructuring; and

(h) declare or authorise or make any payment towards dividend if an event of default has occurred.

Please note that the abovementioned list is indicative and there may be additional restrictive covenants and conditions where we may be required to take prior written consent or intimate the respective lender under the various borrowing arrangements entered into by us.

8. ***Events of Default:*** In terms of borrowing arrangements for the facilities availed by us, the occurrence of any of the following, among others, constitute an event of default:

(a) change in ownership, management, and/or control without prior written consent of the lender;

(b) all or substantially all of the undertakings, assets or properties or the interest therein being nationalized, expropriated or compulsorily acquired by the authority of the Government;

(c) failure to create, perfect or maintain security in the opinion of the lender as provided for the secured borrowings;

(d) upon any distress, attachment, execution, receipt of a garnishee order or other process or enforcement of any of the securities;

(e) non-payment or defaults of any amounts including the principal, interest or other charges;

(f) breach of any representation, warranty, declaration, covenant or undertaking furnished by us under the loan documentation; and

(g) upon happening of any circumstances or event which would or is likely to prejudicially or adversely affect in any manner the capacity to repay the loan.

Please note that the abovementioned list is indicative and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

9. ***Consequences of occurrence of events of default:*** In terms of our borrowing arrangements for the facilities availed by us, upon the occurrence of events of default, our lenders may:

(a) suspend or cancel any of their obligation for any advance under the loan documentation; and

(b) charge penal interest on the outstanding amounts till the time event of default is rectified.

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

You should read the following discussion and analysis of our financial condition and results of operations, and our assessment of the factors that may affect our prospects and performance in future periods, together with our Restated Financial Statements for Financial Years 2020, 2019 and 2018, including the notes thereto and reports thereon, each included in this Prospectus.

While we have historically prepared our financial statements in accordance with Indian GAAP, in accordance with applicable law, we have transitioned our financial reporting from Indian GAAP to Ind AS, with April 1, 2018 as the transition date. This section includes a discussion of financial results for Financial Years 2020 and 2019, which were prepared under Ind AS, and of financial results for Financial Year 2018, which was originally prepared under the Indian GAAP. For the purposes of transition to Ind AS, we have followed the guidance prescribed in "Ind AS 101 - First Time adoption of Indian Accounting Standard". The Restated Financial Statements, prepared and presented in accordance with Ind AS and in accordance with the requirements of Section 26 of the Companies Act, 2013, the SEBI ICDR Regulations and the "Guidance Note on Reports in Company Prospectus (Revised 2019)" issued by the ICAI.

*Ind AS differs in certain material respects from Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which our financial statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS. As a result, the Restated Financial Information Statements may not be comparable to our historical financial statements. For a reconciliation of Indian GAAP to Ind AS, please see, "**Financial Statements – Note 53: Statement of Reconciliation between Indian GAAP and Restated IND AS**" on page 255.*

*This discussion and analysis contains forward-looking statements that reflect our current views with respect to future events and our financial performance, which are subject to numerous risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements. You should also read "**Forward-Looking Statements**" and "**Risk Factors**" on pages 16 and 24, respectively, which discuss a number of factors and contingencies that could affect our business, financial condition and results of operations. Our Financial Year ends on March 31 of each year and accordingly, references to Financial Year, are to the 12-month period ended March 31 of the relevant year.*

The industry data used in this section has been derived from the F&S Report.

OVERVIEW

We are one of the leading specialty chemicals manufacturing companies in India based on sales for Fiscal 2019 providing customized solutions to specific industrial and production requirements of our customers primarily in the FMCG, apparel, poultry and animal feed industries through our diversified product portfolio comprising home, personal care and performance chemicals; textile specialty chemicals; and animal health and nutrition products. We operate in India as well as in 17 foreign countries including Vietnam, Bangladesh and Mauritius. According to the F&S Report, as on September 30, 2019, we are the largest manufacturer of textile specialty chemicals in India providing textile specialty chemicals in a sustainable, eco-friendly yet competitive manner. As a manufacturer of specialty chemicals, we focus on functionality and application of our products which form a key ingredient to our customers' manufacturing and industrial processes.

Our Promoters, Mr. Edward Menezes, and Mr. Sunil Chari, commenced the specialty chemicals business in 2003, as a partnership firm in the name of 'Rossari Labtech' which was subsequently changed to 'Rossari Biotech' and further converted into our Company. Our Company was founded in 2009 by our Promoters, who are both career-technocrats cumulatively having over 45 years of experience in the specialty chemicals industry. We have focused on providing customised solutions to our customers in a cost and time efficient manner. We believe our success is the result of sustained efforts over the decades in every aspect of our business, such as product innovation, process improvements for our customers' production cycle, agile customised solutions, our sustainable eco-friendly portfolio of products and increased scale of operations. Our business operations have been led by our Promoters and assisted by our experienced Key Managerial Personnel who have over 80 years of experience in the specialty chemicals industry cumulatively. Today, our Company is a pioneering force in the Indian specialty chemicals market and '*Rossari*' is considered a well-known brand in this market (*Source: F&S Report*).

Our business is organized in three main product categories – (i) home, personal care and performance chemicals; (ii) textile specialty chemicals; and (iii) animal health and nutrition products. As on May 31, 2020, we had a range of 2,030 different products sold across the three product categories.

Home, personal care and performance chemicals

We are the leading manufacturer of acrylic polymers in India (*Source: F&S Report*) and currently manufacture over 300 products for our customers in the soaps and detergent, paints, inks and coatings, ceramics and tiles, water treatment chemicals and pulp and paper industries. We also manufacture institutional cleaning chemical formulations for hospitality, facility management, airports, corporates, food service, commercial laundry, malls, multiplexes, educational sector, places of worship etc. We are in advanced stages of expanding our home, personal care and performance product portfolio to water treatment formulations, specialty formulation for breweries as well as dairies. We are also planning to introduce certain new products in the personal care and cosmetics segments. While we primarily operate in a business-to-business model for our home, personal care and performance products, we also sell certain of our end formulations to direct consumers under private label or in partnership with digital market platforms such as Amazon. Our revenue from sale of home, personal care and performance products constituted 46.81% of our total revenue in Fiscal 2020.

Textile specialty chemicals

We provide specialty chemicals for the entire value-chain of the textile industry starting from fiber, yarn to fabric, wet processing and garment processing and as on May 31, 2020, manufactures and sales approximately 1,543 products for our customers in this product category. We have differentiated our product portfolio by focusing on providing diversified and value added speciality chemicals to enhance hydrophilic properties, anti-microbial properties, flame retardant properties, fragrance, water repellents and UV absorbing properties of the textiles. Revenue from sale of textile chemicals constituted 43.71% of our total revenue in Fiscal 2020. Textile industry consumes a large amount of water and significantly contributes towards water pollution, air pollution as well as solid-waste pollution (*Source: F&S*). Accordingly, we focus on providing eco-friendly sustainable chemical solutions to our customers which either replaces the highly polluting chemicals being used by our customers or reduces the impact of environmental pollution by suitably modifying the overall industrial process.

Animal health and nutrition

We have also diversified into animal health and nutrition and currently supply poultry feed supplements and additives, pet grooming and pet treats including for weaning, infants and adult pets and currently manufacture over 100 products for our customers in this category. We forayed into pet grooming sub-category pursuant to our acquisition of the '*Lozalo*' brand and related trademarks, intellectual property and employees in Fiscal 2019. While almost all our products under the animal health and nutrition category are manufactured in-house, our pet treats are manufactured through job-work contracts. We sell our poultry feed products through a business-to-business model and our pet grooming and pet treat products to retail shop owners, in both cases through distributors. Our revenue from sale of animal health and nutrition products constituted 9.48% of our total revenue in Fiscal 2020.

We manufacture majority of our products in-house from our manufacturing facility at Silvassa in the Union Territory of Dadra & Nagar Haveli. The Silvassa Manufacturing Facility, located on 8.6 acres of land, has an installed capacity of 120,000 MTPA. The Silvassa Manufacturing Facility has flexible manufacturing capabilities for powders, granules and liquids. Further, we can interchange capacities across home, personal care and performance chemicals; textile specialty chemicals; and animal health and nutrition products categories, which ensures that we can manufacture any of these products at any point of time depending on the specific requirements of our customers and this facility also has a comprehensive range of testing as well as packaging capabilities. The annual capacity utilization of our Silvassa Manufacturing Facility has moved from 74.19% in Fiscal 2018 to 93.94% in Fiscal 2019 and to 82.46% in Fiscal 2020. We are currently setting up another manufacturing facility at Dahej in Gujarat with a proposed installed capacity of 132,500 MTPA which will enjoy proximity to the deep-water, multi-cargo port of Dahej. The proposed state-of-the-art facility will be well-equipped with advanced technologies and will be commissioned in Fiscal 2021.

As a specialty chemical manufacturing company, we continuously monitor industry trends so as to ensure that our products continue to remain relevant and help our customers meet the evolving market demands. We are driven by technical innovation in formulations and applications of our products in order to provide specific and customised solutions to our customers. Our qualified and experienced in-house R&D team focuses on the development of new products and formulations including collaborative product development with our customers to customize our products to customer expectations and end-user preferences, whilst simultaneously focusing on shorter lead-times and cost competitiveness. We have two R&D facilities – one within the Silvassa Manufacturing Facility and another one in Mumbai. Our R&D facilities are recognized by the Department of Scientific and Industrial Research, Government of India and are also certified by a number of organizations including the Global Organic Textile Standards and the American National Standards Institute.

We have a wide network of distributors through which we sell our products. Our pan-India distribution network has over 204 distributors as on May 31, 2020. We sell our home, personal care and performance chemicals; and textile specialty chemicals in a business-to-business model through our distributors primarily to our customers in FMCG and apparel industries, respectively; and we sell our animal health and nutrition products through distributors either in a business-to-business model or to retailers. We also have four regional branch offices in Delhi, Ludhiana, Ahmadabad and Surat for marketing of our products to the customers in the North and West India regions. Our regional branch office in Surat also has a R&D support laboratory which provides localized and expedient technical support to our customers in that region. We also have 29 distributors spread in over 17 countries. We have also set up international offices in Ho Chi Minh City, Vietnam and Dhaka, Bangladesh as these two are primary overseas markets for our textile specialty chemical products.

In Fiscal 2020, Fiscal 2019 and Fiscal 2018, we generated total revenue of ₹ 6,038.18 million, ₹ 5,171.24 million and ₹ 3,004.29 million, respectively, EBITDA of ₹ 1,045.26 million, ₹ 776.28 million and ₹ 426.34 million, respectively and net profit after tax of ₹ 652.53 million, ₹ 456.83 million and ₹ 254.03 million, respectively. We have been able to increase our total revenue from Fiscal 2018 to Fiscal 2020 at a compound annual growth rate of 41.65%, EBITDA at a compound annual growth rate of 56.58% and our profit after tax has increased at a compound annual growth rate of 60.27% over the same period. We have reported Return on Net Worth of 31.79%, 43.32% and 34.08% with a total debt to equity ratio of 0.23 for Fiscal 2020, Fiscal 2019 and Fiscal 2018, respectively, and a Return on Capital Employed of 24.79%, 50.93% and 34.68% for Fiscal 2020, Fiscal 2019 and Fiscal 2018, respectively.

FACTORS AFFECTING RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Sales volume and demand from key customers

Our revenue and profit margins are directly impacted by our sales volume within our product categories and by the demand from our key customers. A majority of our revenue from operations is from sales to our customers in the TSC and HPPC product categories, within which we depend on a limited number of customers for a significant portion of our revenues. The revenue from sale of HPPC and TSC products cumulatively constituted 90.52%, 90.00%, and 90.17% of our revenue from operations for Financial Years 2020, 2019 and 2018, respectively. Further, revenue from our top five customers across product categories constituted 43.95% of our revenue from operations for Financial Year 2020. Revenue from our top 10 customers across product categories constituted 53.72% of our revenue from operations for Financial Year 2020. We have built long-standing relationships with our key customers in the TSC and the HPPC product categories, which we intend to leverage by capitalizing on the significant cross-selling opportunities that our diversified product portfolio offers. Maintaining strong relationships with our key customers is, therefore, essential to the growth of our business. We typically do not have firm commitment in the form of long-term supply agreements with our key customers and instead rely on purchase orders to govern the volume and other terms governing sale of our products. Consequently, there is no commitment on the part of our key customers to continue to place new purchase orders with us and as a result, our cash flow and consequent revenue may fluctuate significantly from time to time. The fluctuation in demand for our products may either require us to increase production or decrease production and inventories at short notice, which may result in us bearing additional costs and incurring losses. We must continue to generate demand for our products from our key customers to drive growth in the future, and our results of operations will depend in part on the degree to which these efforts are successful. Please see "***Risk Factors - We derive a significant portion of our revenue from a few major institutional customers in our TSC and HPPC product categories. Any loss of our major customers or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows***" *and* "***Risk Factors - We do not have any long term agreements with most of our customers, and the loss of one or more of them or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows***" on pages 25 and 29, respectively**.**

Demand for end-user products in the HPPC product category

Our products in the home, personal care and performance chemicals category are primarily used by our customers in the FMCG industry. Our results of operations are dependent to a large extent on the demand for end-use FMCG products which contain our products. The success of the end products manufactured by our customers depends on our customers' ability to identify early on, and correctly assess consumer market preferences. For example, our sales were and continue to be positively impacted by a higher demand for disinfectants and sanitizers due to the outbreak of COVID-19 pandemic at the end of Financial Year 2020. According to the F&S Report, consumer preferences tend to be impacted by, among other things, rate of urbanization, safety standards, rising awareness of health and hygiene concerns and disposable income levels. As a part of our growth strategy, we continuously monitor industry trends so as to ensure that we can help in developing tailor made solutions for our customers. We aim to provide specific and customised solutions to our customers by developing new products and formulations including through collaborative product development with our customers to customize our products in line with customer expectations and end-user preferences. Accordingly, the demand for end-use FMCG products and our attempts to innovate and commercialize new products in response to changing consumer trends will affect our results of operations.

Growth of new product categories

Our future growth is dependent on our ability to expand our new product sub-categories in the animal health and nutrition product category. We forayed into pet grooming product sub-category pursuant to our acquisition of the '*Lozalo*' brand and related trademarks, intellectual property and employees in Financial Year 2019. We also recently launched new products in the pet treats product sub-category. The process of launching a new business requires long-term investments and commitment of significant resources before knowing whether these investments will eventually result in businesses that achieve customer acceptance and generate the revenues required to provide desired returns. Further, while our expertise has been in supply of specialty chemicals and industrial enzymes to institutional customers, through our foray in the pet grooming and pet treats product sub-categories we are targeting on making direct sales to the end consumer in the business-to-customer segment, which has not been our traditional strength, and will require us to undertake significant expenses for marketing our products and brand building. We may face difficulties in developing and growing the demand for our new product sub-categories, which may affect our result of operations. Please see "***Risk Factors - We may not be able to successfully grow our new product categories, which may result in an adverse impact on our business prospects and results of operations***" on page 32.

Availability and price of raw materials

Our business operations are primarily dependent on availability of acrylic acid, surfactants and silicone oil, which are used in the production of the majority of our products and our ability to procure sufficient amounts of quality raw materials at commercially viable prices. Our costs of materials consumed represented 61.53%, 68.81% and 65.73% of our revenue from operations in Financial Years 2020, 2019 and 2018, respectively. We do not have long term agreements with any of our raw material suppliers and we acquire such raw materials pursuant to our purchase orders from suppliers as a result of which, we are required to forecast our supply and demand. Our inability to correctly forecast demand and supply may have an impact on our working capital.

Certain of our raw materials also include derivatives of crude oil, such as acrylic acid. Accordingly, the price of some of our raw materials is linked to a formula based on the international prices of crude oil. The price of crude oil globally has been volatile and increases in crude prices would have an impact on our cost of production.

The availability and price of raw materials is subject to a number of factors beyond our control including demand and supply, general economic and political conditions, transportation and labour costs, natural disasters, competition and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. Interruption of, or a shortage in the supply of, raw materials may result in our inability to operate our production facilities at optimal capacities, leading to a decline in production and sales. Recently, due to the outbreak of COVID-19 pandemic, we were unable to import a few of our raw materials from our overseas suppliers due to transport restrictions. However, we were able to substitute them with domestic suppliers in time and accordingly, we are able to continue our operations during such pandemic. In addition, while competition for procuring raw material may result in an increase in raw material prices, our ability to pass on such increases in overall operational costs may be limited. Furthermore, any increase in the cost of raw materials which results in an increase in prices of our products, may reduce demand for our products and thereby affect our margins and profitability.

Further, we source our raw materials from India, South East Asia and Europe. The cost of our imported raw materials is also affected by fluctuations in the rate of exchange of the currency in which we purchase these raw materials (including USD and the Euro) and the Rupee. Please see "***Risk Factors - Increase in the cost of raw materials as a percentage of our revenue could have a material adverse effect on our results of operations and financial conditions*** *" and "* ***Risk Factors - We are exposed to foreign currency exchange rate fluctuations, which may adversely impact our results of operations and cause our results to fluctuate***" on pages 28 and 37, respectively.

Expansion of our total installed production capacity

We are currently setting up a new manufacturing facility at Dahej in Gujarat with a proposed installed capacity of 132,500 MTPA to expand our manufacturing capacity in line with growth of our overall business. The Dahej Manufacturing Facility will enjoy a proximity to the deep-water, multi-cargo port of Dahej which is a cost and logistical advantage for our export products. We have borrowed funds to set up the Dahej Manufacturing Facility, which are on floating rates (linked to the marginal cost of lending rate of the lender). Any increase in interest rates would increase the interest costs of our borrowings, which would adversely affect our results of operations in the future. Further, as we are in the process of setting up our Dahej Manufacturing Facility, we may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting suitable employees. The Dahej Manufacturing Facility is expected to be commissioned in Financial Year 2021. For more details on the Dahej Manufacturing Facility, see "***Our Business – Production - Dahej Manufacturing Facility***" on page 162. Please see "***Risk Factors- As part of our growth strategy, we are in the process of establishing a manufacturing facility at the Dahej. Implementation risks along with possible time or cost overruns could adversely affect our business and results of operations***" on page 31.

Competition and pricing pressure

Our customers are in the apparel, soaps and detergent, paints, inks and coatings, ceramics and tiles, water treatment chemicals and pulp and paper industries. These industries are characterized by intense competition and as such our customers are focused on reducing their costs. Our customers are generally aware of the prices for our raw materials and will negotiate with us to reduce our prices when our raw material costs decrease, which means our ability to keep our prices at the same level when our raw material costs decrease is somewhat constrained. Our ability to negotiate price with our customer is also impacted by international and domestic competition. Some of our competitors may have greater financial, technical and managerial resources, greater access to raw materials and customers, better know-how and superior manufacturing facilities than we have. For more details on competition, see "***Our Business – Competition***" on page 65.

In the HPPC product category, we face competition from various domestic and multinational companies in India, some of which have larger market presence compared to us. Our competitors include multinational corporations such as Wacker AG, Dow, Merck, DuPont, DSM, BASF and Croda and major Indian companies producing active ingredients such as Aarti Industries Limited and Galaxy Surfactants Limited. Many Indian players, especially the small and midsized companies, are largely present in inactive ingredients which have lower margins compared to active ingredients. (*Source: F&S Report*)

In the TSC product category, we face competition from 500 large and small players. In India, large majority of textiles manufactured and sold is unorganized, catering to price sensitive customers. This large unbranded market is a target for the unorganized textile chemical manufacturers. Apart from manufacturers there are many blenders and resellers present in the market, with more than 800 companies. (*Source: F&S Report*)

In the poultry feed market, we face competition from Cargill India Private Limited and Zydus AH, a division of Cadila Healthcare Limited. (*Source: F&S Report*)

COVID-19 Pandemic

The current outbreak of COVID-19 pandemic and the preventative or protective actions that governments around the world have taken to counter the effects of the pandemic have resulted in a period of economic downturn and business disruption in India, as well as in countries where our customers and suppliers are located. The World Health Organization declared the outbreak of COVID-19 as a public health emergency of international concern on January 30, 2020 and a pandemic on March 11, 2020. The Government of India announced a nation-wide lockdown on March 24, 2020 and imposed several restrictions. However, as we are engaged in manufacturing of disinfectants and sanitizers as part of our home, personal care and performance chemicals, our products were categorized under the 'essential goods' and our Silvassa Manufacturing Facility was not shut down during this pandemic. However, due to limited availability of labour, logistics and supply chain constraints, our plant was operating at sub-optimal capacity utilization in the month of April. We continued our manufacturing activities after making arrangements to meet the government's requirements on santization, people movement and social distancing. In view of the nationwide lockdown announced by the Government of India to control the spread of COVID-19, our business operations were only temporarily disrupted from March 24, 2020. Since then, we have resumed operations in a phased manner as per the Government of India and state government's directives. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in "***Risk Factors – Internal Risk Factors – The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted***" on page 24 and "***Risk Factors – External Risk Factors – The outbreak of COVID-19, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations***" on page 46. We are continue to closely monitor the economic conditions and the effect of COVID-19 and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business.

SIGNIFICANT ACCOUNTING POLICIES UNDER IND AS

(a) The Restated Consolidated Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 31, 2020, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements are the Company's first consolidated financial statements prepared in accordance with Ind AS based on the permissible options and exemptions available to the Company in terms of Ind AS 101 'First time adoption of Indian Accounting standards'. Reconciliations and descriptions of the effect of the transition have been summarized in Note 53.

These Ind AS Financial Statements comprise Restated Consolidated Statement of Assets and Liabilities as at 31st March, 2020, and as at 31st March, 2019, Consolidated Statement of Profit and Loss (including Other Comprehensive Income) for the year ended 31st March, 2020, and year ended 31st March, 2019 Consolidated Statement of Cash Flows, the Statement of Changes in Equity for years then ended, and a summary of significant accounting policies and other explanatory information. The Restated Consolidated Financial Statements also contain the proforma Ind AS Financial Statements as at and for the year ended 31st March 2018. These statements have been prepared by the management for the purpose of preparation of the restated Financial Statements as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the SEBI ICDR "Regulations") issued by the Securities and Exchange Board of India ('SEBI') in relation to the proposed offer for sale to certain existing shareholders of the company, to be filed by the Group with SEBI, in accordance with the requirements of:

i) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");

ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

(b) The aforesaid Financial Statements for the year ended 31st March, 2020, for the year ended 31st March, 2019 and for the year ended 31st March, 2018 have been prepared by the Group in accordance with the recognition and measurement principles of Indian Accounting Standard (as applicable), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. The proforma Ind AS Financial Statements for the year ended 31st March 2018 has been prepared by making Ind AS adjustments to the audited Indian GAAP Financial Statements as at and for the year ended 31st March 2018.

Accordingly, the closing equity balance as at 31st March, 2018 of the Proforma IND AS Financial statements has not been carried forward to opening IND AS Balance Sheet as at the transition date adopted for reporting under the Companies Act, 2013.

These Restated Consolidated Financial Statements were approved by the parent's Board of Directors and authorized for issue on June 11, 2020.

(c) The Financial Statements have been prepared on accrual basis and the historical cost basis as a going concern except for certain financial instruments that are measured at fair values or at amortised cost, wherever applicable, at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Group measures certain financial instruments at fair value at each reporting date.

Certain accounting policies and disclosures require the measurement of fair values, for both financial and non- financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognized in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Assets and Liabilities are classified as Current or Non-Current as per the provisions of Schedule III to the Companies Act, 2013 and Group's Normal Operating Cycle. Based on the nature of business, the Group has ascertained its operating cycle as 12 months for the classification of assets and liabilities.

(d) **Use of estimates and judgements:**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements, and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in Note e. Accounting Estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(e) **Critical estimates and judgements**

Useful lives of property, plant and equipment and intangible assets:

Property, plant and equipment and intangible assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life. Useful lives of intangible assets are determined on the basis of estimated benefits to be derived from use of such intangible assets. Their reassessments may result in change in the depreciation /amortization expense in future periods.

Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value at each balance sheet date or at the time they are assessed for impairment. In estimating the fair value of an asset or a liability, the Company uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities require estimates to be made by the management and are disclosed in the notes to the financial statements.

Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

In view of the nationwide lockdown announced by the Government of India to control the spread of COVID-19, the Company's business operations were temporarily disrupted from March 24, 2020. The Company has resumed operations in a phased manner as per government directives. Based on the immediate assessment of impact of COVID-19 on the operations of the Company and ongoing discussions with the Customers, vendors and service providers, the Company is positive of serving customer orders and obtaining regular supply of raw materials and logistics services. The Management has considered the possible effects, if any, that may result from the pandemic on the carrying amounts of its current and non-current assets, after considering internal and external sources of information as at the date of approval of these financial statements. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Trade Receivables and Inventories. In assessing recoverability of trade receivables, the Company has considered subsequent recoveries, past trends, credit risk profiles of the customers based on their industry, macroeconomic forecasts and internal and external information available up to the date of issuance of these financial statements. In assessing the recoverability of inventories, the Company has considered the latest selling prices, customer orders on hand and margins. Based on the above assessment, the Company is of the view that carrying amounts of trade receivables and inventories are expected to be realisable. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statements, and the Company will continue to closely monitor the developments.

Revenue from Contracts with Customers:

The Company has evaluated the impact of COVID-19 resulting from (i) the possible constraints to continue its operations and revisions in costs to fulfill the pending obligations (ii) onerous obligations (iii) penalties, if any, relating to breaches of agreements and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID-19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Financial Statements are prepared in Indian Rupee (INR) and denominated in Million.

The principal accounting policies are set out below.

i. Basis of Consolidation

The Restated Consolidated Financial Statements incorporate the Financial Statements of the parent and entities (including structured entities) controlled by the parent and its subsidiary (Rossari Personal Care Products Private Limited [Formerly known as Neutron Impex Private Limited]). Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the parent obtains control over the subsidiary and ceases when the parent loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the parent gains control until the date when the parent ceases to control the subsidiary.

A joint venture is a joint arrangement whereby the parties have the rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are accounted using the equity method of accounting. Where the Group's activities are conducted through joint operations (i.e. the parties have rights to the assets and obligation for the liabilities relating to the arrangements), the Group recognizes its share of assets, liabilities, income and expenses of such joint operations incurred jointly along with its share of income from the sale of output and any liability and expenses incurred in relation to joint operations.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the Financial Statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Transactions between the group and joint venture are eliminated in consolidated financial statement by adjusting group ‘s share of unrealised profit/loss from the carrying value of investment in joint venture.

ii. Revenue Recognition

(a) Sale of Goods:

Revenue from contract with customers is recognized when the Group satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

(b) Export Incentive:

Income from export incentives such as duty drawback and MEIS are recognised on an accrual basis.

(c) Dividend and Interest Income:

Dividend income from investments is recognized when the shareholder’s right to receive dividend has been established.

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

iii. Property, Plant and Equipment

Property, Plant and Equipment are carried at cost less depreciation. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying Property, Plant and Equipment upto the date the assets are ready for use. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in the Statement of Profit and Loss.

Depreciation is calculated on Written Down Value method over the estimated useful life of all assets, these lives are in accordance with Schedule II to the Companies Act, 2013.

The estimated useful lives, residual value and depreciation method are reviewed at end of each reporting period, with the effect of any change in estimate accounted for on prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain/loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in Profit and Loss.

iv. Intangible Assets

The useful life of intangible assets is assessed as either finite or infinite. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses.

Intangible assets are carried at cost and amortized on a Straight-Line Basis so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful lives, residual value and depreciation method are reviewed at end of each reporting period, with the effect of any change in estimate accounted for on prospective basis.

(a) Copyright & Patent:

The expenditure incurred is amortized over the estimated period of benefit, not exceeding six years commencing with the year of purchase.

(b) Computer Software:

The expenditure incurred is amortized over three financial years equally commencing from the year in which the expenditure is incurred.

v. Research & Development

Revenue expenditure incurred on Research and Development has been charged to the Profit and Loss Account in the year it has been incurred. Capital expenditure has been included in the Cost of Acquisition of the appropriate Fixed Assets and Depreciation thereon has been charged at regular rates prescribed.

vi. Impairment

The carrying value of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting period no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

vii. Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are value at the lower of cost or net realizable value.

Cost is determined based on the First in First Out (FIFO) method. Finished goods produced and purchased for sale and work-in-progress are carried at cost or net realizable value whichever is lower. Stores, spares and consumables other than obsolete and slow-moving items are carried at cost. Obsolete and slow-moving items are valued at cost or estimated net realizable value, whichever is lower.

viii. Acquisition of interest in Joint Venture

Acquisition of interest in a joint venture, is initially recognised at cost. Any excess of the cost of the investment over the Group's share of fair value of identifiable assets and liabilities of the investee is regarded as goodwill, which is included in the carrying value of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of investment, after re-assessment, is recognised in equity as capital reserve in the Period in which the investment is acquired.

ix. Employee Benefits

a) Defined Contribution Plan:

Contribution payable to recognised provident fund, ESIC which are substantially defined contribution plan, is recognised as expense in the Statement of Profit and Loss, as they are incurred.

b) Defined Benefit Plan:

For defined plans in the form of gratuity, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

Remeasurements recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurements

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

x. Foreign Exchange Transactions and Translations

Transactions in foreign currencies i.e. other than the Group's functional currency of Indian Rupees are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on revaluation are recognized in Profit and Loss in the period in which they arise.

Forward Exchange Contracts

The use of foreign currency forward contract is governed by the Group's strategy. Approved by board of Directors, which provides principle on uses of such forward contract consistent with the Group's risk management policy. The Group uses foreign currency forward contract to hedge its risk associated with foreign currency fluctuation relating to certain firm commitment and forecasted transaction for amount in excess of natural hedge available on export realization against import payment. The Group doesn't use forward contract for speculative purpose.

All derivative contracts are marked to- market and losses/gains are recognised in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

xi. Taxation

Income tax expense represents the sum of the current tax currently payable and deferred tax.

(a) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable Profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiary, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilised the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting nperiod, to recover or settle the carrying amount of its assets and liabilities.

(c) Current and Deferred Tax for the year

Current and Deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

xii. Borrowing Costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.
All borrowing costs are charged to the Statement of Profit and Loss except:

- Borrowing costs that are attributable to the acquisition or construction of qualifying tangible and intangible assets that necessarily take a substantial period of time to get ready for their intended use, which are capitalized as part of the cost of such assets.

- Expenses incurred on raising long term borrowings are amortized using effective interest rate method over the period of borrowings. Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

xiii. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments.

The corresponding liability to the lessor is included in the consolidated balance sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

With effect from April 1, 2019 Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any option to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future period is reassessed to ensure that the lease term reflects the current economic circumstances.

xiv. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material provision is carried at the present value of the cash flows required to settle the obligation. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation, or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

xv. Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the relevant instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through Profit or Loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit or Loss is recognized immediately in Profit and Loss.

Classification and subsequent measurement

(a) Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace. All recognized financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as measured at:

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI); or
- Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Profit and Loss. Any gain and loss on derecognition are recognised in Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

For equity investments, the Group makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Profit and Loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Group has chosen to designate these investments as at FVTOCI as the Group believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in Profit and Loss. Dividend income received on such equity investments are recognised in Profit and Loss.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Profit and Loss.

(i) Financial assets at Fair value through Profit and Loss

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different basis.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurements recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other Income' line item. Dividend of financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

(ii) Impairment of Financial Assets

The Group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit impairment financial assets).

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group any has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

(iii) De-recognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than its entirety, (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognised on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(iv) Foreign Exchange Gains & Losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measure at amortized cost. Thus, the exchange differences on the amortized cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

(v) Financial liabilities and equity instruments

(a) Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(b) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit of loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(c) Compound Financial Instruments

The component parts of compound financial instruments (convertible instruments) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instruments' maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

(d) Financial Liabilities

All financial liabilities are subsequently measure at amortised cost or at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measure at amortized cost at the end of subsequent accounting period. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance cost' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(vii) Financial guarantee contracts and loan commitments

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts and loan commitments issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; or
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

xvi. Dividend Distribution

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

xvii. Use of Estimates and judgement

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed at the end of each reporting period. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period if the revision affects both current and future period.

(a) Critical accounting judgements and key source of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Useful lives of intangible assets are determined on the basis of estimated benefits to be derived from use of such intangible assets. These reassessments may result in change in the depreciation /amortization expense in future period.

(ii) Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value at each balance sheet date or at the time they are assessed for impairment. In estimating the fair value of an asset or a liability, the Group uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities require estimates to be made by the management and are disclosed in the notes to the financial statements.

(iii) Actuarial Valuation

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

xviii. Earnings per share

Basic earnings per share are calculated by dividing the Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the Profit or Loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

xix. Share-based payment arrangements

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note no. 31.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

RESULTS OF OPERATIONS

Income

Our total income are divided into revenue from operations and other income. Our revenue from operations includes our revenue from sale of HPPC products, TSC products and AHN products. The following table sets forth certain information with respect to our revenue from operations and other income, for the following periods:

(₹ in million, except percentages)

Particulars	Financial Year 2020	Financial Year 2019	Financial Year 2018
Revenue from sale of HPPC products	2,808.88	1,954.95	557.19
Percentage of revenue from operations	*46.81%*	*37.87%*	*18.63%*
Revenue from sale of TSC products	2,623.04	2,690.81	2,139.56
Percentage of revenue from operations	*43.71%*	*52.13%*	*71.54%*
Revenue from sale of AHN products	569.02	516.42	293.86
Percentage of revenue from operations	*9.48%*	*10.00%*	*9.83%*
Total revenue from operations	**6,000.94**	**5,162.18**	**2,990.61**
Other income	**37.24**	**9.06**	**13.68**
Total income	**6,038.18**	**5,171.24**	**3,004.29**

Revenue from Operations

Our revenue from operations are primarily generated from (i) sale of HPPC products, (ii) sale of TSC products and (iii) sale of AHN products.

Revenue from Sale of HPPC products

Our revenue from sale of HPPC products accounted for 46.81%, 37.87% and 18.63% of our revenue from operations for Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively. Our revenue from sale of HPPC products primarily consists of sale of home, personal care and performance chemical products to our customers in the soaps and detergent, paints and coatings, ceramics and tiles, and pulp and paper industries. All our HPPC products are currently manufactured in our Silvassa Manufacturing Facility.

Revenue from Sale of TSC products

Our revenue from sale of TSC products accounted for 43.71%, 52.13% and 71.54% of our revenue from operations for Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively. Our revenue from sale of TSC products primarily consists of revenue from sale of specialty chemicals for the entire value-chain of the textile industry starting from products for yarn production, production of man-made fiber, thread production, digital printing, fabric processing, dyeing auxiliaries, finishing range, garment finishing to products for printing. All our TSC products are currently manufactured in our Silvassa Manufacturing Facility.

Revenue from Sale of AHN products

Our revenue from sale of AHN products accounted for 9.48%, 10.00% and 9.83% of our revenue from operations for Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively. Our revenue from sale of AHN products primarily consists of sale of poultry feed supplements (which includes enzymes to vitamin premix, trace minerals, acidifiers, disinfectants etc), pet grooming (sold under the brand name '*Lozalo*'), and pet treats. Our AHN products (except pet treats) are currently manufactured in our Silvassa Manufacturing Facility. Pet treats are manufactured through job-work arrangement.

Other Income

Other income includes interest income (comprising interest income on bank deposits and interest income on loans), dividend income and other non-operating income comprising net gain on account of foreign currency transactions and translation, rent, profit on sale of assets, insurance claim received, profit on sale of mutual funds and others.

Expenses

Our expenses comprise of (i) cost of materials consumed; (ii) changes in inventories of finished goods and work-in-progress; (iii) excise duty; (iv) employee benefits expense; (v) finance costs; (vi) depreciation and amortization expenses; and (vii) other expenses.

The following table sets forth our expenditure in Rupees and as a percentage of our revenue from operations for the periods indicated:

(₹ *in million, except percentages)*

Particulars	Financial Year 2020	Financial Year 2019	Financial Year 2018
Cost of materials consumed	3,692.64	3,552.25	1,965.79
Percentage of revenue from operations	*61.53%*	*68.81%*	*65.73%*
Changes in inventories of finished goods work-in-progress	24.38	(159.59)	10.77
Percentage of revenue from operations	*0.41%*	*(3.09)%*	*0.36%*
Excise Duty	-	-	68.90
Percentage of revenue from operations	-	-	*2.30%*
Employee benefits expense	372.07	275.15	198.35
Percentage of revenue from operations	*6.20%*	*5.33%*	*6.63%*
Finance costs	35.57	28.78	13.55
Percentage of revenue from operations	*0.59%*	*0.56%*	*0.45%*
Depreciation and amortization expense	168.52	122.64	51.73
Percentage of revenue from operations	*2.81%*	*2.38%*	*1.73%*
Other expenses	864.41	718.09	320.46
Percentage of revenue from operations	*14.40%*	*13.91%*	*10.72%*
Total expenses	**5,157.59**	**4,537.32**	**2,629.55**

Cost of materials consumed

Cost of materials consumed comprises of raw material costs incurred in production of specialty chemicals. The primary raw materials involved in the manufacture of our products include acrylic acid, surfactants and silicone oil. Raw materials consumed represent a significant majority of our total expenditure. Cost of materials consumed accounted for 61.53%, 68.81% and 65.73% of our revenue from operations for the Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively.

Changes in inventories of finished goods and work-in-progress

Changes in inventories of finished goods and work-in-progress consists of costs attributable to an increase or decrease in inventory levels during the relevant financial period in finished goods and work-in progress. Changes in inventories of finished goods and work-in-progress accounted for 0.41%, (3.09)% and 0.36% of our revenue from operations for the Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively.

Excise Duty

Excise duty is a duty paid to the government on the manufacture of our products. With the implementation of GST with effect from July 1, 2017, excise duty, VAT, service tax and other indirect tax have been subsumed into GST and accordingly, excise duty was payable by us until June 30, 2017 for Financial Year 2018.

Employee benefits expense

Employee benefits expense includes (i) salaries and wages, including bonus; (ii) contribution to provident fund and other funds, (iii) equity-settled share-based payments and (iv) workmen and staff welfare expenses. Employee benefits expense accounted for 6.20%, 5.33% and 6.63% of our revenue from operations for the Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively.

Finance costs

Finance cost include (i) interest expense on vehicle loans and on working capital facilities and (ii) interest expense on other borrowing cost. Finance costs accounted for 0.59%, 0.56% and 0.45% of our revenue from operations for the Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively.

Depreciation and amortization expenses

Depreciation represents depreciation on our property, plant and equipment. Amortization represents amortization of right of use assets and intangible assets. Depreciation is calculated on written down value method over the estimated useful life of all assets, these lives are in accordance with Schedule II to the Companies Act, 2013. The estimated useful lives, residual value and depreciation method are reviewed at end of each reporting period, with the effect of any change in estimate accounted for on prospective basis.

Depreciation and amortization expense accounted for 2.81%, 2.38% and 1.73% of our revenue from operations for the Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively.

Other expenses

Other expenses include factory expenses, freight charges, consumption of stores, spares and consumables, repairs and maintenance, travelling and conveyance, clearing and forwarding charges, selling and distribution expense, exhibition, conference and seminars, legal and professional fees, rent, miscellaneous expenses, loss on sale of mutual fund, loss on sale of assets, corporate social responsibility expenditure, electricity charges, office expenses, insurance charges, donation, provision for expected credit loss and payment to auditors as statutory audit fees and for certification matters. Other expenses accounted for 14.40%, 13.91% and 10.72% of our revenue from operations for the Financial Year 2020, Financial Year 2019 and Financial Year 2018, respectively.

RESULTS OF OPERATIONS

Financial Year 2020 compared with Financial Year 2019

Total income

Our total income increased by ₹ 866.94 million, or by 16.76%, from ₹ 5,171.24 million in the Financial Year 2019, to ₹ 6,038.18 million in the Financial Year 2020. This was primarily due to an increase in our revenue from operations.

Revenue from Operations

Our revenue from operations increased by ₹ 838.76 million or by 16.25% from ₹ 5,162.18 million in Financial Year 2019 to ₹ 6,000.94 million in Financial Year 2020. This increase was primarily driven by ₹ 853.93 million increase in revenue from sale of HPPC products and ₹ 52.60 million increase in revenue from sale of AHN products which was partially offset by ₹ 67.77 million decrease in revenue from sale of TSC products.

Revenue from Sale of HPPC products

Our revenue from sale of HPPC products increased by ₹ 853.93 million or by 43.68% from ₹ 1,954.95 million in Financial Year 2019 to ₹ 2,808.88 million in Financial Year 2020. This increase was primarily driven by introduction of new products in the HPPC product category which resulted in an increased demand from certain of our key institutional customers in the HPPC product category.

Revenue from Sale of TSC products

Our revenue from sale of TSC products marginally decreased by ₹ 67.77 million or by 2.52% from ₹ 2,690.81 million in Financial Year 2019 to ₹ 2,623.04 million in Financial Year 2020. This decrease was primarily driven by the lockdown announced in March 2020 due to the COVID-19 pandemic as a result of such lockdown our production and delivery of TSC products were adversely impacted.

Revenue from Sale of AHN products

Our revenue from sale of AHN products increased by ₹ 52.60 million or by 10.19% from ₹ 516.42 million in Financial Year 2019 to ₹ 569.02 million in Financial Year 2020. This increase was primarily driven by the increase in the demand for our poultry feed products which resulted in an increase in the sales of our AHN products. This increase was also partially driven by the full year impact in Financial Year 2020 of the introduction of the pet grooming sub-category pursuant to our acquisition of the '*Lozalo*' brand and related trademarks, intellectual property and employees in Financial Year 2019.

Other Income

Our other income increased by ₹ 28.18 million or by 311.04% from ₹ 9.06 million in Financial Year 2019 to ₹ 37.24 million in Financial Year 2020. This increase was driven by increase in interest income on bank deposits and loans, increase in dividend income and ₹ 19.99 million net gain on foreign currency transactions and translations.

Expenditure

Total expenses increased by ₹ 620.27 million or by 13.67% from ₹ 4,537.32 million in Financial Year 2019 to ₹ 5,157.59 million in Financial Year 2020. This increase was primarily driven by ₹ 140.39 million or by 3.95% increase in cost of materials consumed, ₹ 96.92 million or by 35.22% increase in employee benefit expenses and ₹ 146.32 million or by 20.38% increase in other expenses.

Cost of materials consumed

Cost of raw materials consumed increased marginally by ₹ 140.39 million or by 3.92% from ₹ 3,552.25 million in Financial Year 2019 to ₹ 3,692.64 million in Financial Year 2020 on account of higher production resulting from an increase in volume of sales.

However, as a percentage of our revenue from operations, our cost of materials consumed decreased from 68.81% in Financial Year 2019 to 61.53% in Financial Year 2020 due to changes in the mix of products being manufactured by us with our focus on manufacturing products with higher profit margins .

Changes in inventories of finished goods and work-in-progress

Changes in inventories of finished goods and work-in-progress increased significantly by ₹ 183.97 million or by (115.28)% from an increase of ₹ 159.59 million in Financial Year 2019 to a decrease of ₹ 24.38 million in Financial Year 2020. This was primarily attributable to high level of inventory required by the Company to ensure enhanced production and managing continuity of production without any disruption arising from supply chain and logistics issues due to lockdown on account of COVID-19 pandemic.

Employee benefits expense

Employee benefits expense increased by ₹ 96.86 million or by 35.20% from ₹ 275.15 million in Financial Year 2019 to ₹ 372.07 million in Financial Year 2020. This was primarily due to a general increase in the salaries and wages, including bonus paid to our employees, which resulted from an increase in the number of employees due to growth in our manpower requirements for sales, promotion and marketing for our HPPC and AHN product category and costs of equity-settled share-based payments pursuant to the ESOP Scheme formulated in Financial Year 2020.

Finance costs

Finance costs increased by ₹ 6.79 million or by 23.59% from ₹ 28.78 million in Financial Year 2019 to ₹ 35.57 million in Financial Year 2020. The increase in finance costs was primarily on account of an increase in our borrowings in Financial Year 2020.

Depreciation and amortisation expense

Our depreciation and amortization expense increased by ₹ 45.88 million, or 37.41%, from ₹ 122.64 million in Financial Year 2019 to ₹ 168.52 million in Financial Year 2020. The increase in depreciation was primarily due to purchase of new plant and machinery resulting from the planned increase in capacity of our Silvassa Manufacturing Facility in Financial Year 2020.

Other expenses

Other expenses increased by ₹ 146.32 million or by 20.38% from ₹ 718.09 million in Financial Year 2019 to ₹ 864.41 million in Financial Year 2020. This was primarily due an increase of (i) ₹ 79.83 million in the selling and distribution expense, (ii) ₹ 16.96 million in the factory expenses, (iii) ₹ 18.09 million in exhibition, conference and seminars, and (iv) ₹ 21.07 million in legal and professional fees.

Profit before tax

In light of above discussions, our profit before tax increased by ₹ 244.49 million or by 38.57% from ₹ 633.92 million in Financial Year 2019 to ₹ 878.41 million (after deducting share of loss of joint venture) in Financial Year 2019.

Tax expense

Our total tax expense also accordingly increased by ₹ 48.79 million or by 27.55% from ₹ 177.09 million in Financial Year 2019 to ₹ 225.88 million in Financial Year 2020. This was driven by a ₹ 59.12 million increase in current tax expenses which was partially offset by a ₹ 10.33 million decrease in deferred tax (credit)/charge in Financial Year 2020.

Profit

For the various reasons discussed above, and following adjustments for tax expense, we recorded an increase in our profit by ₹ 195.70 million or by 42.84% from ₹ 456.83 million in Financial Year 2019 to ₹ 652.53 million in Financial Year 2020.

Financial Year 2019 compared with Financial Year 2018

Total income

Our total income increased by ₹ 2,166.95 million, or by 72.13%, from ₹ 3,004.29 million in the Financial Year 2018, to ₹ 5,171.24 million in the Financial Year 2019. This was primarily due to an increase in our revenue from operations.

Revenue from Operations

Our revenue from operations increased by ₹ 2,171.57 million or by 72.61% from ₹ 2,990.61 million in Financial Year 2018 to ₹ 5,162.18 million in Financial Year 2019. This increase was primarily driven by ₹ 1,397.76 million increase in revenue from sale of HPPC products, ₹ 551.25 million increase in revenue from sale of TSC products and ₹ 222.56 million increase in revenue from sale of AHN products.

Revenue from Sale of HPPC products

Our revenue from sale of HPPC products increased by ₹ 1,397.76 million or by 250.86% from ₹ 557.19 million in Financial Year 2018 to ₹ 1,954.95 million in Financial Year 2019. This increase was primarily driven by introduction of new products in the HPPC product category which resulted in an increased demand from certain of our key institutional customers in the HPPC product category.

Revenue from Sale of TSC products

Our revenue from sale of TSC products increased by ₹ 551.25 million or by 25.76% from ₹ 2,139.56 million in Financial Year 2018 to ₹ 2,690.81 million in Financial Year 2019. This increase was primarily driven by the increase in demand for our TSC products and our increased market penetration through introduction of new value-added products.

Revenue from Sale of AHN products

Our revenue from sale of AHN products increased by ₹ 222.56 million or by 75.74 % from ₹ 293.86 million in Financial Year 2018 to ₹ 516.42 million in Financial Year 2019. This increase was primarily driven by the increase in the demand for our poultry feed products which resulted in an increase in the sales of our AHN products. This increase was also partially driven by the introduction of the pet grooming sub-category pursuant to our acquisition of the '*Lozalo*' brand and related trademarks, intellectual property and employees in Financial Year 2019.

Other Income

Our other income decreased by ₹ 4.62 million or by 33.77% from ₹ 13.68 million in Financial Year 2018 to ₹ 9.06 million in Financial Year 2019. This decrease was on account of decrease in interest on bank deposit and net gain on foreign currency transactions and translations. This decrease was partially offset by increase in interest income on loans.

Expenditure

Total expenses increased by ₹ 1,907.77 million or by 72.55 % from ₹ 2,629.55 million in Financial Year 2018 to ₹ 4,537.32 million in Financial Year 2019. This increase was primarily driven by ₹ 1,586.46 million or by 80.70 % increase in cost of materials consumed.

Cost of materials consumed

Cost of raw materials consumed increased by ₹ 1,586.46 million or by 80.70 % from ₹ 1,965.79 million in Financial Year 2018 to ₹ 3,552.25 million in Financial Year 2019 on account of higher production resulting from an increase in volume of sales, broadly in line with the growth of our revenue from sale of products in Financial Year 2019.

As a percentage of our revenue from operations, our cost of materials consumed was 68.81 % in Financial Year 2019 compared to 65.73 % in Financial Year 2018.

Changes in inventories of finished goods and work-in-progress

Changes in inventories of finished goods and work-in-progress decreased significantly by ₹ 170.36 million or by 1,581.80 % from a decrease of ₹ 10.77 million in Financial Year 2018 to an increase of ₹ 159.59 million in Financial Year 2019. This was primarily attributable to (i) increased production of finished goods due to an increase in sales volume in 2019, as compared to Financial Year 2018 and (ii) an increase in the installed capacity of our Silvassa Manufacturing Facility.

Excise duty

Our excise duty expense in Financial Year 2018 was ₹ 68.90 million. We paid 0.00 excise duty in Financial Year 2019 due to the implementation of GST from July 1, 2017. Accordingly the excise duty paid during Financial Year 2018 was applicable till June 30, 2017 and hence is not comparable to Financial Year 2019.

Employee benefits expense

Employee benefits expense increased by ₹ 76.80 million or by 38.72 % from ₹ 198.35 million in Financial Year 2018 to ₹ 275.15 million in Financial Year 2019. This was primarily due to a general increase in the salaries and wages, including bonus paid to our employees, which resulted from an increase in the number of employees due to growth in our manpower requirements for sales, promotion and marketing for our HPPC and AHN product category in Financial Year 2019.

Finance costs

Finance costs increased by ₹ 15.23 million or by 112.40 % from ₹ 13.55 million in Financial Year 2018 to ₹ 28.78 million in Financial Year 2019. The increase in finance costs was primarily on account of an increase in our interest expenses during this period arising from additional working capital facilities availed by our Company.

Depreciation and amortisation expense

Our depreciation and amortization expense increased by ₹ 70.91 million, or 137.08 %, from ₹ 51.73 million in Financial Year 2018 to ₹ 122.64 million in Financial Year 2019. The increase in depreciation was primarily due to purchase of new plant and machinery resulting from the planned increase in capacity of our Silvassa Manufacturing Facility in Financial Year 2019. The increase in amortization expense was on account of acquisition of the '*Lozalo*' brand in Financial Year 2019.

Other expenses

Other expenses increased by ₹ 397.63 million or by 124.08 % from ₹ 320.46 million in Financial Year 2018 to ₹ 718.09 million in Financial Year 2019. This was primarily due an increase of (i) ₹ 35.85 million in the factory expenses, (ii) ₹ 120.37 million in freight charges, (iii) ₹ 127.89 million in the selling and distribution expense and (iv) ₹ 22.44 million in travelling and conveyance.

Profit before tax

In light of above discussions, our profit before tax increased by ₹ 259.18 million or by 69.16% from ₹ 374.74 million in Financial Year 2018 to ₹ 633.92 million in Financial Year 2019.

Tax expense

Our total tax expense also accordingly increased by ₹ 56.38 million or by 46.71% from ₹ 120.71 million in Financial Year 2018 to ₹ 177.09 million in Financial Year 2019. This was driven by a ₹ 70.57 million increase in current tax expenses which was partially offset by a ₹ 14.19 million decrease in deferred tax (credit)/charge in Financial Year 2019.

Profit

For the various reasons discussed above, and following adjustments for tax expense, we recorded an increase in our profit by ₹ 202.80 million or by 79.83% from ₹ 254.03 million in Financial Year 2018 to ₹ 456.83 million in Financial Year 2019.

Cash Flows

The following table sets forth certain information relating to our cash flows under Ind AS in Financial Year 2020, Financial Year 2019 and Financial Year 2018:

(₹ in million)

	Financial Year 2020	**Financial Year 2019**	**Financial Year 2018**
Net cash flow generated from operating activities	548.28	711.77	255.69
Net cash flow generated from (used in) investing activities	(1,903.01)	(364.22)	(204.37)
Net cash flow generated from/ (used in) the financing activities	1,569.43	(291.50)	(64.95)
Net increase / (decrease) in cash and cash equivalents	214.70	56.05	(13.63)
Opening cash and cash equivalents	57.42	6.25	21.35
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	19.99	(4.88)	(1.47)
Closing cash and cash equivalents	292.11	57.42	6.25

Net cash generated from operating activities

Net cash generated from operating activities in the Financial Year 2020 was ₹ 548.28 million and our operating profit before working capital changes for that period was ₹ 1,060.44 million. The difference was primarily attributable to ₹ 204.06 million decrease in trade receivables and other assets, ₹ 37.65 million decrease in inventories and ₹ 68.97 million decrease in trade payables and other liabilities. We paid income tax (net of refunds) of ₹ 201.48 million.

Net cash generated from operating activities in the Financial Year 2019 was ₹ 711.77 million and our operating profit before working capital changes for that period was ₹ 801.51 million. The difference was primarily attributable to ₹ 344.23 million decrease in trade receivables and other assets, ₹ 214.02 million decrease in inventories which was partially offset by ₹ 672.16 million increase in trade payables and other liabilities. We paid income tax (net of refunds) of ₹ 203.68 million.

Net cash generated from operating activities in the Financial Year 2018 was ₹ 255.69 million and our operating profit before working capital changes for that period was ₹ 438.26 million. The difference was primarily attributable to ₹ 108.79 million decrease in trade receivables and other assets, ₹ 101.20 million decrease in inventories which was partially offset by ₹ 110.85 million increase in trade payables and other liabilities. We paid income tax (net of refunds) of ₹ 83.43 million.

Net cash used in investing activities

In the Financial Year 2020, our net cash used in investing activities was ₹ 1,903.01 million. This reflected (i) our payments of ₹ 759.71 million towards the purchase of property, plant and equipment and intangible assets which primarily consisted of plant and machinery for our Silvassa Manufacturing Facility, (ii) investment of ₹ 137.38 million in financial assets (mutual funds), (iii) investment of ₹ 43.93 million in Buzil Rossari and (iv) increase of ₹ 977.79 million in earmarked and margin account (net). This was partially offset by (i) ₹ 13.86 million of interest received, (ii) ₹ 0.83 million of proceeds received from disposal of property, plant and equipment and (iii) ₹ 1.11

million of dividend received.

In Financial Year 2019, our net cash used in investing activities was ₹ 364.22 million. This reflected our payments of ₹ 439.91 million towards the purchase of property, plant and equipment and intangible assets which primarily consisted of plant and machinery for our Silvassa Manufacturing Facility This was partially offset by (i) ₹ 69.39 million received as proceeds from sale of financial assets; (ii) ₹ 0.57 million of dividend received; and (iii) ₹ 5.23 million of interest received.

In the Financial Year 2018, our net cash used in investing activities was ₹ 204.37 million. This reflected our payment of (i) ₹ 139.25 million towards the purchase of property, plant and equipment and intangible assets which primarily consisted of plant and machinery for our Silvassa Manufacturing Facility; (ii) ₹ 69.11 million as proceeds on sale of financial assets; and (iii) ₹ 2.62 million in earmarked and margin account (net). This was partially offset by (i) ₹ 1.55 million of dividend received; and (ii) ₹ 5.06 million of interest received.

Net cash generated from/ used in financing activities

In the Financial Year 2020, our net cash generated from financing activities was ₹ 1,569.43 million. This reflected ₹ 249.40 million received as proceeds from short term borrowing (net), ₹ 403.67 million received as proceeds from long-term borrowings and ₹ 1,000.00 million received as proceeds from issuance of Equity Shares pursuant to the Pre-IPO Placement undertaken in March 2020. These cash flows were partially offset by ₹ 11.58 million paid towards loans obtained from related parties, ₹ 12.58 million paid towards repayment of long-term borrowings, ₹ 33.00 million interest paid and ₹ 26.48 million paid towards dividend on equity shares.

In the Financial year 2019, our net cash used in financing activities was ₹ 291.50 million. This reflected ₹ 148.82 million paid towards repayment of short term borrowings (net), ₹ 360.92 million paid towards repayment of loans from related parties, ₹ 11.80 million paid towards repayment of long term borrowings, ₹ 21.39 million as interest paid and ₹ 105.92 million paid towards dividend. These cash flows were partially offset by ₹ 354.12 million received as proceeds of loans from related parties and ₹ 3.23 million received as proceeds from long-term borrowings.

In the Financial year 2018, our net cash used in financing activities was ₹ 64.95 million. This reflected ₹ 37.32 million paid towards repayment of short term borrowings (net), ₹ 11.39 million proceeds from long term borrowings, ₹ 13.59 million as interest paid and ₹ 2.65 million paid towards dividend on equity shares.

LIQUIDITY AND CAPITAL RESOURCES

We fund our operations primarily with cash flow from operating activities and borrowings under term loan facilities from banks and financial institutions. Our primary use of funds have been to pay for our working capital requirements and capital expenditures for setting-up of our manufacturing facilities. We evaluate our funding requirements regularly in light of our cash flow from our operating activities and market conditions. To the extent we do not generate sufficient cash flow from operating activities, we may rely on other debt or equity financing activities, subject to market conditions.

Our Company had consolidated cash and cash equivalents of ₹ 292.11 million as of March 31, 2020, ₹ 57.42 million as of March 31, 2019 and ₹ 6.25 million as of March 31, 2018. As of March 31, 2020, we had long term borrowings of ₹ 339.60 million and short term borrowings of ₹ 270.52 million.

The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2020:

(₹ in million)

Category of Borrowing	Outstanding amount as on March 31, 2020
Secured	
Working capital loans from Banks	19.41
Unsecured	
From banks	251.11
From Related parties	-
Total	**270.52**

As of June 25, 2020, on a consolidated basis, our total fund based borrowings was ₹ 679.64 million. For further information on our indebtedness, see "***Risk Factors – Our indebtedness and the conditions and restrictions***

imposed on us by our financing agreements could adversely affect our ability to conduct our business*"* on page 38 and "***Financial Indebtedness***" on page 266.

CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities and commitments

As of March 31, 2020, the estimated amount of contracts remaining to be executed of property, plant and equipment (net of advances) and not provided for was ₹ 212.29 million.

For further information on our contingent liabilities and commitments, see "***Financial Statements***" on page 201.

Capital expenditures

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily for investments in property, plant and equipment for our manufacturing facilities and other intangible assets.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have or which we believe reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenue or expenses, operating results, liquidity, capital expenditure or capital resources.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business including sale of goods, sale of fixed assets, royalty income received, rent paid, dividend paid, interest payable and receivable, commission paid, loans taken and repaid and security deposits. For further information relating to our related party transactions, see "***Financial Statements – Restated Financial Statements – Notes to Restated Financial Statements – Note 42 – Related party disclosures***" on page 243.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss related to adverse changes in market prices, including interest rates and foreign exchange rates. In the normal course of business, we are exposed to certain market risks including foreign exchange rate risk and interest risk.

Interest rate risk

Interest rate risk results from changes in prevailing market interest rates, which can cause a change in the fair value of fixed-rate instruments and changes in the interest payments of the variable-rate instruments. Our operations are funded to a certain extent by borrowings. Our current loan facilities carry interest at variable rates as well as fixed rates. We mitigate risk by structuring our borrowings to achieve a reasonable, competitive cost of funding. There can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks.

Foreign exchange rate risk

Changes in currency exchange rates influence our results of operations. We import certain raw materials, the price of which are denominated in foreign currency, which is mostly the U.S. dollar or the Euro. Our export sales, are denominated in currencies other than Indian Rupees. Although we selectively enter into hedging transactions to minimise our foreign currency exchange risks, there can be no assurance that such measures will enable us to avoid the effect of any adverse fluctuations in the value of the Indian Rupee against the U.S. Dollar or the Euro or other relevant foreign currencies.

Liquidity risk

Adequate and timely cash availability for our operations is the liquidity risk associated with our operations. We require substantial amounts of working capital for our business operations such as maintaining and operating our manufacturing facility, marketing and distributing our products, developing new products and enhance existing products and the failure to obtain such capital may adversely affect our growth prospects and future profitability.

Credit Risk

We are exposed to the risk that our counterparties may not comply with their obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. Our customer base majorly has creditworthy counterparties which limits the credit risk, however, there can be no assurance that our counterparties may not default on their obligations, which may adversely affect our business and financial condition.

General

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits and vice versa. This assumption depends on the yields on the corporate/government bonds and hence the evaluation of liability is exposed to fluctuations in the yields as at the valuation date.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Prospectus, there have been no other events or transactions that, to our knowledge, may be described as "unusual" or "infrequent".

SIGNIFICANT DEPENDENCE ON A FEW CUSTOMERS AND SUPPLIERS

We do not depend on one supplier. For details in relation to dependence on customers, please see "***Risk Factors — We derive a significant portion of our revenue from a few major institutional customers in our TSC and HPPC product categories. Any loss of our major customers or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows"*** on page 25.

TOTAL TURNOVER OF EACH MAJOR INDUSTRY SEGMENT

For Financial Years 2020, 2019 and 2018, we operated in only a single reportable segment.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECTED OR ARE LIKELY TO AFFECT INCOME FROM OPERATIONS

Other than as described in this section and the sections of this Prospectus entitled "***Our Business***", "***Risk Factors***" and "***Industry Overview***" on pages 145, 24 and 103, there have been no significant economic changes that materially affected or are likely to affect our Company's income from operations.

KNOWN TRENDS OR UNCERTAINTIES

Other than as described in this Prospectus, particularly in the sections "***Risk Factors***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 24 and 268, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND REVENUE

Other than as described in "***Risk Factors***", "***Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 24, 145 and 268, respectively, to our knowledge, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

MATERIAL INCREASES IN NET INCOME AND SALES

Material increases in our Company's net income and sales are primarily due to the reasons described in the section entitled " - ***Results of Operations*** " above on page 286.

NEW PRODUCTS OR BUSINESS SEGMENTS

Other than as disclosed in this chapter and in "***Our Business***" on page 145, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

COMPETITIVE CONDITIONS

We operate in a competitive environment. For further details see "***Our Business***", "***Industry Overview***" and "***Risk Factors***" on pages 145, 103 and 24, respectively.

SEASONALITY OF BUSINESS

There is no seasonality in our business.

MATERIAL DEVELOPMENTS SUBSEQUENT TO MARCH 31, 2020

On June 26, 2020, our Company has entered into a share subscription and shareholders agreement with Fairplum Private Limited, VSTAR Family Trust, Mr. Rupesh Agarwal and Rossari Personal Care Products Private Limited, our Subsidiary. Pursuant to this share subscription and shareholders agreement, Fairplum Private Limited and VSTAR Family Trust will subscribe to 150,000 equity shares and 50,000 equity shares of Rossari Personal Care, respectively. Post such subscription of equity shares and consummation of the closing, the shareholding of our Company, Fairplum Private Limited and VSTAR Family Trust in Rossari Personal Care will be 60% (along with its nominees), 30% and 10% of the total paid up share capital of Rossari Personal Care. Mr. Rupesh Agarwal has also been appointed as the chief executive officer of Rossari Personal Care. For more details of the share subscription and shareholders agreement, see "***History and Certain Corporate Matters***" on page 173.

Further, our Shareholders at the annual general meeting held on July 16, 2020, approved the recommendation of our Board to pay to its Shareholders (as on the record date, being July 10, 2020) a final dividend at the rate of 25% of the face value of the Equity Shares, equivalent to ₹ 0.50 per Equity Share, on the issued and paid-up shares, being 50,752,920 Equity Shares, for Financial Year 2020. For further details, see "***Dividend Policy***" on page 200.

Except as disclosed above, and in this Prospectus, to our knowledge no circumstances have arisen since the date of the last financial statements disclosed in this Prospectus, which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings involving our Company, our Promoters or our Directors and our Subsidiaries; (ii) outstanding actions taken by statutory or regulatory authorities involving our Company, our Promoters, our Directors and our Subsidiaries; (iii) outstanding claims involving our Company, our Promoters, Directors and our Subsidiaries related to direct and indirect taxes, in a consolidated manner; (iv) outstanding litigations as determined to be material by our Board of Directors as per the Materiality Policy (defined below) in accordance with the SEBI ICDR Regulations; (v) outstanding dues to creditors of our Company as determined to be material by our Board of Directors as per the Materiality Policy in accordance with the SEBI ICDR Regulations; (vi) outstanding dues to micro, small and medium enterprises and other creditors; and (vii) outstanding litigation involving our Group Companies which has a material impact on our Company. Further, except as stated in this section, there are no disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Financial Years including outstanding action.

For the purpose of (iv) and (v) above, our Board in its meeting held on November 29, 2019 has considered and adopted a policy of materiality for identification of material litigation involving our Company, our Promoters, our Directors and our Subsidiaries and our Board has in its meeting held on June 11, 2020 duly approved the readjustment of the thresholds with the updated financial information as of March 31, 2020 ("**Relevant Parties**" and such policy, the "**Materiality Policy**").

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoters in the last five Financial Years including outstanding action, and tax matters, would be considered 'material' if:

a) *the monetary amount of claim by or against the Relevant Parties in any such pending proceeding is lower of, 1% of the total revenue from operations or 1% of the profit after tax of our Company, that is ₹ 6.52 million, as per the Restated Financial Statements for the Financial Year ended March 31, 2020; or*

b) *an outcome in any such litigation would materially and adversely affect our Company's business, prospects, operations, financial position or reputation, irrespective of the amount involved in such litigation.*

In terms of the Materiality Policy, outstanding dues to any creditor of our Company having monetary value which exceeds ₹ 48.50 million, which is 5% of the total consolidated trade payables of our Company as per the latest Restated Financial Statements as at March 31, 2020, shall be considered as 'material'.

*Accordingly, as at March 31, 2020 , any outstanding dues exceeding ₹ 48.50 million have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise ("**MSME**"), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.*

I. Litigation involving our Company

Litigation filed against our Company

a) *Criminal proceedings*

Nil.

b) *Actions by regulatory and statutory authorities involving our Company*

Nil.

c) *Disciplinary actions including penalty imposed by the SEBI or Stock Exchanges against our Promoters in the last five Financial Years*

Nil.

d) Civil proceedings

A commercial suit has been filed by Diversey (India) Hygiene Private Limited ("**Plaintiff**") against Mr. Amrutraj Kulkarni ("**Defendant 1**"), Buzil Rossari ("**Defendant 2**") and our Company ("**Defendant 3**", collectively as "Defendants") in the High Court of Judicature at Bombay under the ordinary original civil jurisdiction. Defendant 1 was associated with Plaintiff as a head of channels until 2018, post which he resigned and started working with Defendant 2 and Defendant 3. It is alleged that, while being the employee of the Plaintiff, Defendant 1 has stolen highly sensitive and confidential business information of the Plaintiff and later passed such information to the Plaintiff's competitor Defendant 2 and Defendant 3, which has resulted in huge loss to the Plaintiff. Owing to such loss, Plaintiff has sought damages of ₹ 20 million along with the interest of 18% per annum from the Defendants. The matter is currently pending.

e) Tax proceedings

S. No.	Particulars	Number of cases	Aggregate amount involved (*in ₹ million*)
1.	***Indirect Tax***		
	Central Excise	Nil	Nil
	VAT	Nil	Nil
	Customs	Nil	Nil
	Service Tax	Nil	Nil
2.	***Direct Tax***	1	7.44
	Total	**1**	**7.44**

Litigation filed by our Company

a) Criminal proceedings

Our Company issued a notice dated September 10, 2019 against Mr. Amit Patil, proprietor of Rutu Auto Zone ("**Respondent**") in relation to dishonour of cheque amounting to ₹ 1.07 million. Upon failure to reply to such notice by the Respondent, our Company has filed a complaint the against Respondent under Section 138 of the Negotiable Instruments Act, 1881. The matter is currently pending.

b) Civil proceedings

Nil.

c) *Tax proceedings*

Nil.

II. Litigation involving our Promoters

Litigation filed against our Promoters

a) Criminal proceedings

Nil.

b) Actions by regulatory and statutory authorities involving our Company

Nil.

c) Disciplinary actions including penalty imposed by the SEBI or Stock Exchanges against our Promoters in the last five Financial Years

Nil.

d) *Civil proceedings*

Nil.

e) *Tax proceedings*

Nil.

Litigation filed by our Promoters

a) *Criminal proceedings*

Nil.

b) *Civil proceedings*

Nil.

c) *Tax proceedings*

Nil.

III. Litigation involving our Directors

Litigation filed against our Directors

a) *Criminal proceedings*

Nil.

b) *Actions by regulatory and statutory authorities involving our Directors*

Nil.

c) *Disciplinary actions including penalty imposed by the SEBI or Stock Exchanges against our Directors in the last five Financial Years*

Nil.

d) *Civil proceedings*

Nil.

e) *Tax proceedings*

Nil.

Litigation filed by our Directors

a) *Criminal proceedings*

Nil.

b) *Civil proceedings*

Nil.

c) *Tax proceedings*

Nil.

IV. Litigation involving our Subsidiaries

Litigation filed against our Subsidiaries

a) *Criminal proceedings*

Nil

b) *Actions by regulatory and statutory authorities involving our Subsidiaries*

Nil.

c) *Disciplinary actions including penalty imposed by the SEBI or Stock Exchanges against our Subsidiaries in the last five Financial Years*

Nil.

d) *Civil proceedings*

For details of outstanding litigation pending against our Subsidiary, please see "***Litigation involving our Company - Litigation filed against our Company - Civil Proceedings***" on page 299.

e) *Tax proceedings*

Nil.

Litigation filed by our Subsidiaries

a) *Criminal proceedings*

Nil

b) *Civil proceedings*

Nil.

c) *Tax proceedings*

Nil.

Outstanding dues to creditors

In terms of the Materiality Policy, creditors of our Company to whom an amount exceeding 5% of the total consolidated trade payables as at March 31, 2020 was outstanding, were considered 'material' creditors. As per the Restated Financial Statements, our trade payables as at March 31, 2020, was ₹ 970.04 million and accordingly, creditors to whom outstanding dues exceed ₹ 48.50 million have been considered as material creditors for the purposes of disclosure in this Prospectus.

Based on this criteria, details of outstanding dues owed as at March 31, 2020 by our Company are set out below:

Type of Creditors	Number of Creditors	Amount involved (in ₹ million)
Micro, Small and Medium Enterprises	69	51.28
Material creditors	1	54.46
Other creditors	530	864.30
Total	**600**	**970.04**

The details pertaining to outstanding overdues to the material creditors along with names and amounts involved for each such material creditor are available on the website of our Company at https://www.rossari.com/wp-content/uploads/2020/02/List-of-Material-Creditors.pdf.

Material Developments

Other than as stated in the section entitled "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on page 268, there have not arisen, since the date of the last financial information disclosed in this Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

*Our business requires various approvals issued by relevant central and state authorities under various rules and regulations. We have set out below an indicative list of all material approvals obtained by our Company, as applicable, for the purposes of undertaking our business activities and operations ("**Material Approvals**"). In view of such approvals, our Company can undertake the Offer and its current business activities. Unless otherwise stated, these approvals are valid as of the date of this Prospectus. For further details in connection with the regulatory and legal framework within which we operate, see "**Key Regulations and Policies in India**" on page 167.*

We have also set out below, (i) material approvals or renewals applied for but not received; (ii) material approvals expired and renewal yet to be applied for; and (iii) material approvals required but not obtained or applied for, as on the date of this Prospectus.

*For Offer related approvals, see "**Other Regulatory and Statutory Disclosures**" on page 307 and for incorporation details of our Company, see "**History and Certain Corporate Matters**" on page 173.*

Material Approvals in relation to our business and operations

Business Related Approvals

Material business related approvals in relation to our Silvassa Manufacturing Facility:

(a) Consent to establish and operate issued by the Pollution Control Committee, Daman, Diu and Dadra & Nagar Haveli under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981;

(b) Authorisation for generation, storage and disposal of hazardous wastes issued by the Pollution Control Board under the Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016;

(c) License to manufacture for sale of drugs issued by the Assistant Drugs Controller & Licensing Authority, Dadra & Nagar Haveli under the Drugs and Cosmetic Rules, 1945;

(d) License to manufacture cosmetics for sale or for distribution, issued by the Assistant Drugs Controller & Licensing Authority, Dadra & Nagar Haveli under the Drugs and Cosmetic Rules, 1945;

(e) License to manufacture various items of food products issued by the State Licensing Authority under the Food Safety and Standards Act, 2006;

(f) Certificate for use of a boiler issued by Chief Inspector of Boilers, Boiler Inspectorate Department, Administration of Dadra & Nagar Haveli;

(g) Certificate of importer exporter code issued by the Foreign Trade Development officer, office of the Joint Director General of Foreign Trade, Ministry of Commerce and Industry; and

(h) Fire NoC issued by the Station Fire office, Department of Fire and Emergency Services, Dadra & Nagar Haveli.

Material business related approvals in relation to our Dahej Manufacturing Facility:

(a) Consent to establish issued by the Gujarat Pollution Control Board under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981;

(b) Approval for the plan of plot for construction issued by the Executive Engineer, Construction Division, Gujarat Industrial Development Corporation, Dahej;

(c) Letter of approval for storage of products issued by the Controller of Explosives, for Joint Chief Controller of Explosives, Mumbai under the Petroleum Rules, 2002;

(d) Letter of approval for storage of products in pressure vessels in the bottling plant at the facility issued by Deputy Chief Controller of Explosives for Chief Controller of Explosives, Petroleum and Explosives Safety Organisation; and

(e) Environment clearance for setting up synthetic organic chemicals manufacturing plant under the Environment Impact Assessment Notification, 2006 issued by the State Level Environment Impact Assessment Authority, Gujarat.

Labour/employment related approvals

Material labour/ employment related approvals in relation to our Silvassa Manufacturing Facility:

(a) License to use the premise as a factory issued by the Chief Inspector of Factories, Administration of Dadra & Nagar Haveli, Silvassa under the Factories Act, 1948 and rules thereunder;

(b) Certificate of registration issued by Labour Enforcement Officer under the Contract Labour (Regulation and Abolition) Act, 1970 and rules thereunder; and

(c) Registration of establishment for employees' provident fund issued by the Enforcement Officer, Employees' Provident Fund Organisation, Vapi under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and rules thereunder.

Material labour/ employment related approvals in relation in relation to our under-construction unit at Dahej, Gujarat:

(a) Certificate of registration issued by the Registering Officer under Building & Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996 and rules thereunder;

(b) Certificate of registration issued by the Assistant Labour Commissioner, Assistant Labour Commissioner office under the Contract Labour (Regulation and Abolition) Act, 1970 and rules thereunder; and

(c) Approval of plans for the plot no.D-3/24/3 at Dahej-III Industrial Estate issued by the Executive Engineer, Construction Division, Gujarat Industrial Development Corporation, Dahej-II.

Tax Related Approvals

(a) Permanent account number AAECR4325G issued by the Income Tax Department under the Income-tax Act, 1961;

(b) Tax deduction and collection account number MUMR25471F issued by the Income Tax Department under the Income-tax Act, 1961;

(c) Importer Exporter Code 0303080761 issued by issued by the Foreign Trade Development officer, office of the Joint Director General of Foreign Trade, Ministry of Commerce and Industry; and

(d) Goods and service tax registration numbers of our Company, as per the state where our business operations are situated, are as follows:

S. No	State	Registration number
1.	Maharashtra	27AAECR4325G1ZH
2.	Dadra Nagar Haveli	26AAECR4325G1ZJ
3.	Gujarat	24AAECR4325G2ZM
4.	Haryana	06AAECR4325G1ZL
5.	Karnataka	29AAECR4325G1ZD
6.	Tamil Nadu	33AAECR4325G1ZO
7.	Telangana	36AAECR4325G1ZI

Other Material Certifications

(a) Employees Provident Fund establishment code number THTHA0098881000 allotted for the Company's head office in Thane, Mumbai by the Office of Chief Facilitator, Employees Provident Fund Office, Thane (Mumbai II);

(b) Certificate of registration issued for Company's Mumbai Office by the Inspector, Inspector under Maharashtra Shops and Establishment Act, 1948;

(c) Certificate of registration for environmental management system of the Company to conform to the requirements of ISO 14001:2015, issued by the ROHS Certification Private Limited;

(d) Certificate of registration for quality management system of the Company to conform to the requirements of ISO 9001:2015, issued by the ROHS Certification Private Limited;

(e) Certificate of approval for eco-efficiency assessment of the product system of the Company to conform to the requirements of ISO 14045:2012, issued by QCAS;

(f) Certificate of registration for food safety management system of the Company to conform to the requirements of ISO 22000:2018, issued by the QCAS;

(g) Certificate of registration for occupational health and safety management system of the Company to conform to the requirements of ISO 45001:2018, issued by the QCAS;

(h) Certificate of compliance for green certificate Level 1 for the green building standards required by the Company, issued by QCAS;

(i) Certificate for compliance of hazard analysis & critical control point (HACCP) guidelines by the Company, issued by QCAS; and

(j) Certificate of approval for good manufacturing practice system of the Company to conform to the requirements of WHO GMP Certificate laid down by world health organisation, issued by QCAS.

Intellectual Property

Trademarks

As on the date of this Prospectus, Company's logo is a registered trademark under class 1 and class 3. Additionally we also have 27 trademarks which are currently operational in India, for which we have obtained valid registration certificates under the Trademarks Act. Further, we have also made 24 applications seeking registration for certain additional trademarks under the Trademarks Act, all of which are currently operational.

Patents

As on the date of this Prospectus, we have 1 patent which is currently operational in India, for which we have obtained valid registration certificate under the Patents Act.

Material Approvals that have expired and for which renewal applications have been made

Nature of Approval	Issuing Authority	Date of Acknowledgement of Renewal application
Approval for manufacturing of weight and measure	Legal Metrology Officer, Office of the Controller, Legal Metrology, Administration of Dadra & Nagar Haveli	July 01, 2020

Approvals related to our Subsidiary, Buzil Rossari Private Limited

(a) Goods and service tax registration numbers of our Company, as per the state where our business operations are spread, are as follows:

S. No	State	Registration number
1.	Gujarat	24AAFCB7676R1ZV
2.	Maharashtra	27AAFCB7676R1ZP

(b) Importer Exporter Code 0313089108 issued by the Foreign Trade Development Officer, office of the Joint Director General of Foreign Trade, Ministry of Commerce and Industry;

(c) Permanent account number AAFCB7676R issued by the Income Tax Department under the Income-tax Act, 1961;

(d) Tax deduction and collection account number MUMB23503E issued by the Income Tax Department under the Income-tax Act, 1961;

(e) Udyog Adhaar Registration Certificate bearing UAM number MH19E0060313 issued by the Ministry of Micro, Small & Medium Enterprises;

(f) Registration cum Membership Certificate bearing IEC number 0313089108 issued by the Federation of Indian Export Organisation; and

(g) Registration certificate issued by Chief Inspector, Office of the Inspector under Maharashtra Shops and Establishment Act, 1948.

Approvals related to our Subsidiary Rossari Personal Care

(a) GST registration certificate bearing registration number 27AAACN8098C1ZB issued by the State Government for GST payments in the states where our business operations are situated;

(b) Permanent account number AAACN8098C issued by the Income Tax Department under the Income-tax Act, 1961;

(c) Tax deduction and collection account number MUMN10112E issued by the Income Tax Department under the Income-tax Act, 1961[#]; and

(d) Intimation receipt issued under Form 'G' by the Office of the Inspector under Maharashtra Shops and Establishment Act, 1948[*].

[#] *The aforesaid approval is currently in our Subsidiary's erstwhile name, Neutron Impex Private Limited, and Rossari Personal Care has filed an application for such transfer of name under the registration from Neutron Impex Private Limited to Rossari Personal Care Products Private Limited.*

[*] *The aforesaid approval is currently in our Subsidiary's erstwhile name, Neutron Impex Private Limited, and Rossari Personal Care is in the process of filing an application for such transfer of name under the registration from Neutron Impex Private Limited to Rossari Personal Care Products Private Limited.*

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

Our Board has authorized the Offer pursuant to its resolution dated November 12, 2019 and our Shareholders have authorized the Fresh Issue pursuant to a special resolution passed on November 19, 2019 under Section 62(1)(c) of the Companies Act 2013. Further, the Board approved the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus pursuant to its resolutions dated December 12, 2019, July 4, 2020 and July 16, 2020, respectively.

Approvals from the Selling Shareholders

Each of the Selling Shareholders have, severally and not jointly, authorized and confirmed inclusion of its portion of the Offered Shares, as set out below:

S. No.	Name of Selling Shareholder	Consent Letter	Maximum no. of Equity Shares offered for sale
1.	Mr. Sunil Chari	December 16, 2019	5,250,000
2.	Mr. Edward Menezes	December 16, 2019	5,250,000

Each Selling Shareholder, severally and not jointly, confirms that, as required under Regulation 8 of the SEBI ICDR Regulations, they have held their portion of the Offered Shares for a period of at least one year prior to the filing of the Draft Red Herring Prospectus. Therefore, the Equity Shares offered by them in the Offer for Sale were eligible to be offered for sale in the Offer.

In-principle Listing Approvals

Our Company has received in-principle approvals from the BSE and NSE for the listing of our Equity Shares pursuant to letters dated December 27, 2019 and January 10, 2020, respectively.

Prohibition by the SEBI, the RBI or Governmental Authorities

Our Company, our Promoters and Promoter Group, our Directors, the persons in control of our Company and each of the Selling Shareholders are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any authority or court.

Our Promoters or Directors have not been declared as Fugitive Economic Offenders.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, Promoter Group and each of the Selling Shareholders, severally and not jointly, confirms that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to them, as on the date of this Prospectus.

Directors associated with the Securities Market

None of our Directors are associated with the securities market in any manner and no action has been initiated by SEBI against our Directors in the five years preceding the date of this Prospectus.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 6(1) of the SEBI ICDR Regulations as described below:

- Our Company has had net tangible assets of at least ₹ 30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50 % are held in monetary assets;

- Our Company has an average operating profit of at least ₹ 150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and
- Our Company has not changed its name in the last one year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, derived from the Restated Financial Statements included in this Prospectus as at, and for the last three Fiscals ended March 31, 2020, 2019 and 2018 are set forth below:

(*₹ in million, unless otherwise stated*)

	Consolidated		
	Fiscal 2020	**Fiscal 2019**	**Fiscal 2018**
Net tangible assets, as restated (1)	2,776.87	1,177.91	870.17
Monetary assets, as restated (2)	1,272.33	60.09	9.65
Monetary assets, as a percentage of net tangible assets, as restated	45.82	5.10	1.11
Operating profit (3)	1,045.26	776.28	426.34
Net worth, as restated (4)	2,866.79	1,238.12	870.80

Notes:

(1) *Net Tangible Assets = Non-current assets (Property, plant and equipment + Right of use assets + Capital work-in-progress + Non-current other financial assets + Income tax assets (net) + Other non-current assets) + Current assets – Non-current liabilities – Current liabilities..*

(2) *Monetary Assets = Cash in hand + Balance with bank in current and deposit account with original maturity for less than 12 months (net of earmarked funds and deposits under lien)*

(3) *Operating profit means profit before tax increased by Depreciation and Amortization expense, Finance Cost and decreased by Other Income. The average restated operating profit of the Company for the preceding three fiscals i.e. 2020,2019 and 2018 is ₹ 749.29 million.*

(4) *For the purposes of the above, "net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, each as applicable for the Company on a restated basis.*

Our Company has operating profits in each of Fiscal 2018, 2019 and 2020 in terms of our Restated Financial Statements.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith.

If our Company does not Allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delay period. For the avoidance of doubt, subject to applicable law, a Selling Shareholder shall not be responsible to pay interest for any such delay, except to the extent such delay is solely and directly attributable to an act or omission of such Selling Shareholder.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the conditions specified in Regulation 5 of the SEBI ICDR Regulations, as follows:

(a) Neither our Company, nor our Promoters, nor members of our Promoter Group, nor our Directors or any of the Selling Shareholders are debarred from accessing the capital markets by the SEBI.
(b) None of our Promoters nor our Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
(c) Neither our Company nor the Promoters or any of our Directors is a Wilful Defaulter.
(d) None of our Promoters or Directors is a Fugitive Economic Offender.

(e) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Prospectus.

Each of the Selling Shareholders, severally and not jointly, confirm that they are in compliance with Regulation 8 of the SEBI ICDR Regulations.

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BRLMs, AXIS CAPITAL LIMITED AND ICICI SECURITIES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs, AIXS CAPITAL LIMITED AND ICICI SECURITIES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 18, 2019 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMs, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors, the Selling Shareholders and the BRLMs

Our Company, our Directors, the Selling Shareholders and the BRLMs accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.rossari.com, or any website of any of our Subsidiaries, any affiliate of our Company, any of the Group Companies or any of the Selling Shareholders, would be doing so at his or her own risk. It is clarified that neither the Selling Shareholders, nor their respective directors, affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those specifically made or undertaken by such Selling Shareholder in relation to itself and/or the Equity Shares offered by it through the Offer for Sale.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in downloading the Bids due to faults in any software/ hardware system or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

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

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Subsidiaries, our Group Companies, the Selling Shareholders and their respective affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Offer has been made in India to persons resident in India (including Indian nationals resident in India, Hindu Undivided Families ("**HUFs**"), companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), systemically important non-banking financial companies or trusts under the applicable trust laws, and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, venture capital funds, permitted insurance companies and pension funds and, to permitted non-residents including Eligible NRIs, Alternative Investment Funds ("**AIFs**"), Foreign Portfolio Investors registered with SEBI ("**FPIs**") and QIBs. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at Mumbai, India only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Prospectus has been filed with SEBI and the RoC. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, 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 in accordance with any 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 Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares 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 jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders were advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Disclaimer Clause of the BSE

As required, a copy of the Draft Red Herring Prospectus was submitted to the BSE. The disclaimer clause as intimated by the BSE to us is as set forth below:

"*BSE Limited ("the Exchange") has given its letter dated December 27, 2019, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:-*

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

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

Disclaimer Clause of NSE

As required, a copy of the Draft Red Herring Prospectus was submitted to NSE. The disclaimer clause as intimated by NSE to us is as set forth below:

"*As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/736 dated January 10, 2020 permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.*

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the 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 any other reason whatsoever

Listing

Applications will be made to the Stock Exchanges for obtaining permission to deal in and for an official quotation of the Equity Shares being issued and sold in the Offer and BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus or this Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period. The Selling Shareholders shall, severally and not jointly, be responsible to pay, or reimburse, as the case may be, any interest for such delays in making refunds as per the applicable laws and the manner agreed under Offer Agreement.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act 2013, which is reproduced below:

"Any person who –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of the Selling Shareholders, our Directors, the Company Secretary and Compliance Officer, the legal counsels, the bankers to our Company, industry sources, third party chartered accountants, the BRLMs, Registrar to the Offer, the Syndicate Members, Bankers to the Offer to act in their respective capacities, have been obtained. Further, such consents have not been withdrawn up to the time of delivery of the Red Herring Prospectus and this Prospectus with the SEBI.

Our Company has received consent of our Statutory Auditors, who hold a valid peer review certificate, to include their name as required under Section 26(5) of the Companies Act 2013 in this Prospectus, and as an "expert", as defined under Section 2(38) of the Companies Act 2013 in respect of the examination report of the Statutory Auditors on the Restated Financial Statements dated July 1, 2020 and the statement of special tax benefits dated July 1, 2020 included in this Prospectus.

Additionally, our Company has also received a letter dated July 3, 2020 from Mr. Paresh Bodar, Independent Chartered Engineer, to include their name in this Prospectus as required under the Companies Act 2013 and as an "expert" as defined under Section 2(38) read with Section 26(5) of the Companies Act 2013.

Particulars regarding Public or Rights Issues during the Last Five Years

There have been no public issues, including any rights issues to the public undertaken by our Company during the five years preceding the date of this Prospectus.

Commission or Brokerage on Previous Issues in the Last Five Years

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years preceding the date of this Prospectus.

Capital Issues in the Preceding Three Years

Except as disclosed in "***Capital Structure***" on page 71, our Company has not made any capital issues during the three years preceding the date of this Prospectus.

Performance *vis-à-vis* Objects – Public/ rights issue of our Company

Our Company has not undertaken any public issues, including any rights issues to the public in the five years preceding the date of this Prospectus.

Performance *vis-à-vis* Objects – Public/ rights issue of the listed Subsidiaries of our Company

None of our Subsidiaries are listed on any stock exchange.

Price information of past issues handled by the BRLMs

<u>Axis Capital Limited</u>

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Axis Capital Limited*

S. No.	Issue name	Issue size (₹ millions)	Issue price(₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	SBI Cards and Payment Services Limited	103,407.88	755.00[@]	16-Mar-20	661.00	-33.05%, [-2.23%]	-21.79%, [+8.41%]	-
2.	CSB Bank Limited	4,096.77	195.00	04-Dec-19	275.00	+8.36%, [+2.03%]	-12.18%, [-7.51%]	-36.95%, [-20.41%]
3.	Sterling And Wilson Solar Limited	28,809.42	780.00	20-Aug-19	706.00	-21.88%, [-1.60%]	-48.63%, [+7.97%]	-64.78%, [+9.95%]
4.	Spandana Sphoorty Financial Limited	12,009.36	856.00	19-Aug-19	825.00	-0.56%, [-2.14%]	+52.76%, [+7.61%]	+17.32%, [+9.59%]
5.	Polycab India Limited	13,452.60	538.00^	16-Apr-19	633.00	+15.36%, [-5.35%]	+14.70%, [-1.99%]	+23.76%, [-4.09%]
6.	Chalet Hotels Limited	16,411.80	280.00	07-Feb-19	294.00	+1.14%, [-0.31%]	+24.41%, [+3.87%]	+10.77%, [-1.87%]
7.	Ircon International Limited	4,667.03	475.00*	28-Sep-18	412.00	-27.04%, [-8.24%]	-6.60%, [-1.84%]	-15.71%, [+5.06%]
8.	HDFC Asset Management Company Limited	28,003.31	1,100.00	06-Aug-18	1,726.25	+58.04%, [+1.17%]	+30.61%, [-7.32%]	+23.78%,[-4.33%]
9.	Sandhar Technologies Limited	5,124.80	332.00	02-Apr-18	346.10	+18.09%, [+5.17%]	+15.95%,[+4.92%]	-4.20%, [+7.04%]

Source: www.nseindia.com
[@] *Offer Price was ₹ 680.00 per equity share to Eligible Employees*
** Offer Price was ₹465.00 per equity share to Retail Individual Bidders and Eligible Employees*
^Offer Price was ₹ 485.00 per equity share to Eligible Employees

Notes:
a. *Issue Size derived from Prospectus/final post issue reports, as available.*
b. *The CNX NIFTY is considered as the Benchmark Index.*
c. *Price on NSE is considered for all of the above calculations.*
d. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the previous trading day has been considered.*
e. *Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Axis Capital Limited*

Financial Year	Total no. of IPOs	Total funds raised (₹ in Millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Less than 25%
2020-2021*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019-2020	5	161,776.03	-	1	2	-	-	2	1	1	-	-	-	2
2018-2019	4	54,206.94	-	1	-	1	-	2	-	-	2	-	-	2

** The information is as on the date of the document*
The information for each of the financial years is based on issues listed during such financial year.
Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

<u>ICICI Securities Limited</u>

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by ICICI Securities Limited*

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Galaxy Surfactants Limited	9,370.90	1,480.00	8-Feb-18	1,525.00	+1.14%, [-3.31%]	-0.85%[+1.33%]	-14.68%,[+7.66%]
2.	Aster DM Healthcare Limited	9,801.40	190.00	26-Feb-18	183.00	-13.66%,[-3.77%]	-4.97%,[+0.21%]	-8.16%,[+9.21%]
3.	Sandhar Technologies Limited	5,124.80	332.00	02-Apr-18	346.10	+18.09%[+5.17%]	+15.95%,[+4.92%]	-4.20%,[+7.04%]
4.	HDFC Asset Management Company Limited	28,003.31	1,100.00	06-Aug-18	1,726.25	+58.04%,[+1.17%]	+30.61%,[-7.32%]	+23.78%,[-4.33%]
5.	Creditaccess Grameen Limited	11,311.88	422.00	23-Aug-18	390.00	-21.16%,[-3.80%]	-14.91%,[-8.00%]	-5.71%,[-8.13%]
6.	Aavas Financiers Ltd	16,403.17	821.00	08-Oct-18	750.00	-19.32%,[+1.76%]	+2.42%,[+3.67%]	+38.82%,[+12.74%]
7.	IndiaMart InterMesh Ltd	4,755.89	973.00(1)	04-Jul-19	1,180.00	+26.36%,[-7.95%]	+83.82%,[-4.91%]	+65.57%,[+2.59%]
8.	Affle (India) Limited	4,590.00	745.00	08-Aug-19	926.00	+12.56%,[-0.78%]	+86.32%,[+8.02%]	+135.49%,[+6.12%]
9.	Spandana Sphoorty Financial Limited	12,009.36	856.00	19-Aug-19	824.00	-0.56%,[-2.14%]	+52.76%,[+7.61%]	+17.32%,[+9.59%]
10.	Sterling and Wilson Solar Limited	28,496.38	780.00	20-Aug-19	706.00	-21.88%,[-1.60%]	-48.63%,[+7.97%]	-64.78%,[+9.95%]

**Data not available*

(1) *Discount of ₹ 97 per equity share offered to Eligible Employees. All calculations are based on Issue Price of ₹ 973.00 per equity share.*

Notes:
a. *All data sourced from www.nseindia.com*
b. *Benchmark index considered is NIFTY*
c. *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading day.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by ICICI Securities Limited*

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2020-21*	-	-	-	-	-	-	-	--	-	-	-	-	-	-
2019-20	4	49,850.66	-	-	2	-	1	1	1	-	-	2	-	1
2018-19	4	60,843.16	-	-	2	1	-	1	-	-	2	-	1	1

** This data covers issues upto YTD*

Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission of any acts of the Designated Intermediaries, including any defaults in complying with its obligations under the SEBI ICDR Regulations.

Disposal of Investor Grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be seven Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Parul Gupta, Company Secretary as the Compliance Officer and she may be contacted in case of any pre-Offer or post-Offer related problems, at the address set forth hereunder.

Ms. Parul Gupta
201 A - B, 2nd Floor, Akruti Corporate Park
L.B.S. Marg, Next to GE Gardens
Kanjurmarg (W)
Mumbai 400 079, India
Tel: (+91 22) 61233800
Email: cs@rossarimail.com

The Selling Shareholders have authorized the Company Secretary and Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of their respective portion of the Offered Shares.

Our Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Further, our Board has constituted a Stakeholders' Relationship Committee, which is responsible for redressal of grievances of the security holders of our Company. For more information, see "***Our Management***" on page 178.

Our Company has not received any investor grievances during the three years preceding the date of this Prospectus and as on date, there are no investor complaints pending.

SECTION VII – OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares offered and Allotted in the Offer will be subject to the provisions of the Companies Act 2013, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association, the Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and this Prospectus, the Bid cum Application Form, the Revision Form, the CAN, the abridged prospectus and other terms and conditions as may be incorporated in the Allotment Advice and other documents and certificates that may be executed in respect of the Offer. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and offer for sale and listing and trading of securities, issued from time to time, by the SEBI, GoI, Stock Exchanges, the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as maybe prescribed by such governmental and/or regulatory authority while granting approval for the Offer.

Ranking of Equity Shares

The Equity Shares being offered and transferred in the Offer will be subject to the provisions of the Companies Act 2013, the Memorandum of Association and the Articles of Association and will rank *pari passu* in all respects with the existing Equity Shares, including in respect of dividends and other corporate benefits, if any, declared by our Company. For more information, see "***Main Provisions of the Articles of Association***" on page 340.

Mode of Payment of Dividend

Our Company will pay dividend, if declared, to the Shareholders, as per the provisions of the Companies Act 2013, the SEBI Listing Regulations, the Memorandum of Association and the Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared after the date of Allotment (including pursuant to the transfer of Equity Shares from the Offer for Sale) in this Offer will be received by the Allottees in accordance with applicable law. For more information, see "***Dividend Policy***" and "***Main Provisions of the Articles of Association***" on pages 200 and 340, respectively.

Face Value and Price Band

The face value of each Equity Share is ₹ 2. At any given point of time there will be only one denomination for the Equity Shares. The Floor Price of the Equity Shares is ₹ 423 and the Cap Price of the Equity Shares is ₹ 425.

(i) The Price Band has been decided by our Company, in consultation with the BRLMs, and (ii) the minimum Bid Lot has been decided by our Company and the Selling Shareholders, in consultation with the BRLMs, and has been published at least two Working Days prior to the Bid/Offer Opening Date, in all editions of Financial Express (a widely circulated English national daily newspaper) all editions of Jansatta (a widely circulated Hindi national daily newspaper), and all editions of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language of Mumbai, where our Registered and Corporate Office is located), and was made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price were pre-filled in the Bid cum Application Forms available at the website of the Stock Exchanges.

Rights of the Equity Shareholders

Subject to applicable law and our Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and

- Such other rights as may be available to a shareholder of a listed public company under the Companies Act 2013, the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see "***Main Provisions of the Articles of Association***" on page 340.

Allotment only in dematerialized form

In terms of Section 29 of the Companies Act 2013, and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form.

Market Lot and Trading Lot

Since trading of our Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of 35 Equity Shares, subject to a minimum Allotment of 35 Equity Shares. For the method of Basis of Allotment, see "***Offer Procedure***" on page 324.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-tenants with benefits of survivorship.

Nomination Facility

In accordance with Section 72 of the Companies Act 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first Bidder, with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest. A nominee entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of the holder's death during minority. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act 2013, will, on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Bid/Offer Period

EVENT	INDICATIVE DATE
BID/OFFER OPENED ON*	July 13, 2020
BID/OFFER CLOSED ON	July 15, 2020

FINALIZATION OF BASIS OF ALLOTMENT	On or about July 20, 2020
INITIATION OF REFUNDS**	On or about July 21, 2020
CREDIT OF EQUITY SHARES TO DEPOSITORY ACCOUNTS	On or about July 22, 2020
COMMENCEMENT OF TRADING	On or about July 23, 2020

* *The Anchor Investor Bidding Date was one Working Day prior to the Bid/Offer Opening Date i.e. July 10, 2020.*

***In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.*

The aforesaid timetable, is indicative in nature and does not constitute any obligation or liability on our Company, the respective Selling Shareholders or the members of the Syndicate. While our Company will use best efforts to ensure that listing and trading of our Equity Shares on the Stock Exchanges commences within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by SEBI, the timetable may be subject to change for various reasons, including extension of Bid/Offer Period by our Company, due to revision of the Price Band, any delays in receipt of final listing and trading approvals from the Stock Exchanges, delay in receipt of final certificates from SCSBs, etc. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges in accordance with applicable law.

The Selling Shareholders confirm that it shall extend such co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other period as may be prescribed by SEBI.

Except in relation to Anchor Investors, Bids and any revision in Bids were accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Bid/Offer Period at the Bidding Centers, except that on the Bid/Offer Closing Date, Bids were accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until (i) 4.00 p.m. (Indian Standard Time) for Bids by QIBs and Non-Institutional Investors; and (ii) 5.00 p.m. or such extended time as permitted by the Stock Exchanges (Indian Standard Time) in case of Bids by Retail Individual Investors. On the Bid/Offer Closing Date, extension of time could be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Investors after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and reported by the BRLMs to the Stock Exchanges.

Due to limitation of time available for uploading Bids on the Bid/Offer Closing Date, Bidders were advised to submit Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. Bidders were cautioned that if a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public issues, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded on the electronic bidding system could not be considered for allocation in the Offer. It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by the SCSBs were rejected. Our Company, the respective Selling Shareholders and the members of Syndicate are not be responsible for any failure in (i) uploading Bids due to faults in any hardware/software system or otherwise; (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism. Bids were accepted only on Working Days. Investors may please note that as per letters dated July 3, 2006 and July 6, 2006, issued by the BSE and NSE respectively, Bids and any revisions in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges.

In case of discrepancy in data entered in the electronic book *vis-à-vis* data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

On the date of closure of the Offer, if our Company does not receive the minimum subscription of 90% of the Fresh Issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond fifteen days after our Company becomes liable to pay the amount, our Company and every Director of our Company who are officers in default, shall pay interest at the rate of 15% per annum.

In the event of under subscription in the Offer, the Equity Shares will be Allotted in the following order:

(i) such number of Equity Shares will first be Allotted by the Company such that 90% of the Fresh Issue portion is subscribed;
(ii) next, all the Equity Shares held by the Selling Shareholders and offered for sale in the Offer for Sale will be Allotted; and
(iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by the Company that the balance 10% of the Fresh Issue portion is also subscribed.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

It is clarified that, subject to applicable laws, none of the Selling Shareholders shall be liable to pay any amounts as interest for any delay, unless such default or delay is solely and directly attributable to an act or omission of such Selling Shareholders.

Arrangement for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

Restriction on Transfer of Shares and Transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, the minimum Promoter's contribution and the Anchor Investor lock-in in the Offer as detailed in "***Capital Structure***" on page 71, and except as provided in the Articles of Association as detailed in "***Main Provisions of the Articles of Association***" on page 340, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting.

OFFER STRUCTURE

The Offer of 11,676,470* Equity Shares for cash at price of ₹ 425 per Equity Share (including a share premium of ₹ 423 per Equity Share) aggregating to ₹ 4,962.50* million comprising a fresh issue of 1,176,470* Equity Shares aggregating to ₹ 500.00 million by our Company and an offer for sale of 10,500,000* Equity Shares, aggregating to ₹ 4,462.50* million (comprising an offer for sale of 5,250,000* Equity Shares aggregating to ₹ 2,231.25* million by Mr. Edward Menezes and 5,250,000 Equity Shares aggregating to ₹ 2,231.25* million by Mr. Sunil Chari). The Offer constitutes 22.49*% of the post-Offer paid-up Equity Share capital of our Company.

**Subject to finalisation of Basis of Allotment*

Our Company, in consultation with the BRLMs, has undertaken a Pre-IPO Placement. Accordingly, the Fresh Issue has been reduced to the extent of such Pre-IPO Placement.

The Offer has been made through Book Building Process.

	QIBs*	**Non-Institutional Investors**	**Retail Individual Investors**
Number of Equity Shares available for allocation**#	Not more than 5,838,234 Equity Shares	Not less than 1,751,471 Equity Shares or Offer less allocation to QIBs and Retail Individual Investors	Not less than 4,086,765 Equity Shares or Offer less allocation to QIBs and Non-Institutional Investors
Percentage of Offer size available for allocation	Not more than 50% of the Offer size was made available for allocation to QIBs. 5% of the QIB Category (excluding the Anchor Investor Portion) was made available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion were also eligible for allocation in the remaining balance QIB Category. The unsubscribed portion in the Mutual Fund Portion was made available for allocation to other QIBs	Not less than 15% of the Offer or the Offer less allocation to QIBs and Retail Individual Investors	Not less than 35% of the Offer less allocation to QIBs and Non Institutional Investors
Basis of Allotment if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): (a) 116,765 Equity Shares were made available for allocation on a proportionate basis to Mutual Funds only; and (b) 2,218,529 Equity Shares were made available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above	Proportionate	Allotment to each Retail Individual Bidder shall not be less than the minimum bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares have been allocated on a proportionate basis.
Mode of Bidding	Through ASBA process only (other than Anchor Investors)		

	QIBs*	Non-Institutional Investors	Retail Individual Investors
Minimum Bid	Such number of Equity Shares in multiples of 35 Equity Shares so that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of 35 Equity Shares so that the Bid Amount exceeds ₹ 200,000	35 Equity Shares and in multiples of 35 Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of 35 Equity Shares so that the Bid does not exceed the Offer size, subject to applicable limits	Such number of Equity Shares in multiples of 35 Equity Shares so that the Bid does not exceed the Offer size (excluding the QIB Category), subject to applicable limits	Such number of Equity Shares in multiples of 35 Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Mode of Allotment	Compulsorily in dematerialized form		
Bid Lot	35 Equity Shares and in multiples of 35 Equity Shares thereafter		
Allotment Lot	35 Equity Shares and in multiples of one Equity Share thereafter		35 Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Retail Category
Trading Lot	One Equity Share		
Who can Apply***	Public financial institutions specified in Section 2(72) of the Companies Act 2013, FPIs registered with the SEBI (other than individuals, corporate bodies and family offices), scheduled commercial banks, mutual funds registered with the SEBI, venture capital funds registered with SEBI, FVCIs, Alternative Investment Funds, multilateral and bilateral development financial institutions, state industrial development corporations, NBFC-SI, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹ 250 million, pension funds with a minimum corpus of ₹ 250 million, the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions, societies and trusts and any individuals, corporate bodies and family offices which are recategorised as category II FPI and registered with SEBI	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs

	QIBs*	Non-Institutional Investors	Retail Individual Investors
Terms of Payment	***In case of Anchor Investors:*** Full Bid Amount was payable by the Anchor Investors at the time of submission of their Bids**** In case of all other Bidders: Full Bid Amount was required to be blocked by the SCSBs in the bank account of the Bidders, or by the Sponsor Bank through the UPI Mechanism (other than Anchor Investors) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form		

** Our Company and the Selling Shareholders, in consultation with the BRLMs, allocated up to 60% of the QIB Category to Anchor Investors at the price at which allocation was made to Anchor Investors, on a discretionary basis, subject to there being minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion was more than ₹ 100 million but up to ₹ 2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹ 50 million per Anchor Investor. An Anchor Investor was required to make a minimum Bid of such number of Equity Shares, that the Bid Amount was at least ₹ 100 million. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation was made to Anchor Investors, which price was determined by the Company in consultation with the BRLMs.*

***This Offer has been made in accordance with Rule 19(2)(b) of the SCRR, through the Book Building Process wherein not more than 50% of the Offer was made available for allocation to QIBs on a proportionate basis, provided that the Anchor Investor Portion was allocated on a discretionary basis. Further, not less than 15% of the Offer was made available for allocation on a proportionate basis to Non-Institutional Investors subject to valid Bids being received at or above the Offer Price. Further, at least 35% of the Offer will be Alloted to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category, except the QIB Category, is required to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws.*

****If the Bid was submitted in joint names, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the First Bidder was required in the Bid cum Application Form and such First Bidder was deemed to have signed on behalf of the joint holders.*

*****Full Bid Amount was payable by the Anchor Investors at the time of submission of the Bid cum Application Form, provided that any difference between the price at which Equity Shares were allocated to the Anchor Investors and the Anchor Investor Offer Price, was payable by the Anchor Investor Pay-in Date as mentioned in the CAN.*

Bidders were required to confirm and were deemed to have represented to our Company, the respective Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

[#]Assuming full subscription in the Offer.

Withdrawal of the Offer

Our Company and the Selling Shareholders in consultation with the BRLMs reserve the right to not proceed with the Offer at any time after the Bid/Offer Opening Date but before Allotment. If our Company and the Selling Shareholders withdraw the Offer, our Company will issue a public notice within two days from the Bid/Offer Closing Date or such time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, will instruct the SCSBs or the Sponsor Bank, as the case may be, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and the Stock Exchanges will also be informed promptly.

If the Company and the Selling Shareholders, in consultation with the BRLMs withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of Equity Shares, a fresh draft red herring prospectus will be filed and/or submitted with SEBI and the Stock Exchanges.

Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company will apply for only after Allotment and within six Working Days of the Bid/Offer Closing Date or such other time period as prescribed under Applicable Law.

OFFER PROCEDURE

*All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "**General Information Document**") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Offer; (vi) price discovery and allocation; (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.*

*SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 as amended from time to time, including pursuant to circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 ("**UPI Circular**") has proposed to introduce an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Investors through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Investors applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors ("**UPI Phase III**"), as may be prescribed by SEBI. Accordingly, the Offer has been made under UPI Phase II.*

Our Company, the respective Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of the Red Herring Prospectus and this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Further, our Company, the Selling Shareholders and the members of the Syndicate do not accept any responsibility for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Offer.

Book Building Procedure

The Offer has been made through the Book Building Process in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be Allotted to QIBs on a proportionate basis, provided that our Company and the Selling Shareholders in consultation with the BRLMs allocated up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third was required to be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the price at which allocation was made to Anchor Investors. In case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares were required to be added back to the QIB Category (other than Anchor Investor Portion). Further, 5% of the QIB Category (excluding the Anchor Investor Portion) was made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category was made 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 Offer Price. Further, not less than 15% of the Offer was made available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer was made available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category, except the QIB Category, was allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, and UPI ID (for Retail Individual Investors Bidding through the UPI Mechanism), were treated as incomplete and were rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus were made available with the Designated Intermediaries at relevant Bidding Centers and at our Registered and Corporate Office. The Bid cum Application Forms were also made available for download on the websites of NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

For Anchor Investors, the Bid cum Application Forms were made available at the offices of the BRLMs.

Bidders (other than Anchor Investors) were required to compulsorily use the ASBA process to participate in the Offer. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

Bidders (other than Anchor Investors and Retail Individual Investors Bidding using the UPI Mechanism) were required to provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Form that does not contain such detail were liable to be rejected.

Retail Individual Investors Bidding using the UPI Mechanism were required to provide the UPI ID in the relevant space provided in the ASBA Form. ASBA Forms that did not contain the UPI ID were liable to be rejected. Retail Individual Investors Bidding using the UPI Mechanism could also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Further, Bidders were required to ensure that the Bids were submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Forms) and ASBA Forms not bearing such specified stamp were liable for rejection. Bidders, using the ASBA process to participate in the Offer, were required to ensure that the ASBA Account had sufficient credit balance such that an amount equivalent to the full Bid Amount could be blocked therein.

The prescribed colours of the Bid cum Application Forms for various categories were as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis^	White
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions ^	Blue
Anchor Investors**	White

** Excluding electronic Bid cum Application Forms*
***Bid cum Application Forms for Anchor Investors were made available at the office of the BRLMs.*
^Electronic Bid cum Application forms were also available for download on the website of NSE (www.nseindia.com) and the BSE (www.bseindia.com).

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, 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 in accordance with any 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 Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

The Equity Shares 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 jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Designated Intermediaries (other than SCSBs) were required to submit/deliver the Bid cum Application Forms (except ASBA Forms submitted by Retail Individual Investors Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder had a bank account and could not submit it to any non-SCSB bank or any Escrow Bank. For Retail Individual Investors using the UPI Mechanism, the Stock Exchanges were required to share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate a UPI Mandate Request to such Retail Individual Investors for blocking of funds. Designated Intermediaries (other than SCSBs) could not accept any ASBA Form from an RII who was not Bidding using the UPI Mechanism.

Electronic registration of Bids

a) The Designated Intermediary were permitted to register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they subsequently uploaded the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries could upload the Bids till such time as permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

c) Only Bids uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries were given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Offer for further processing.

Participation by associates and affiliates of the BRLMs and the Syndicate Members and the persons related to BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members are not allowed to purchase the Equity Shares in any manner, except towards fulfilling their respective underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members were permitted to purchase Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, have been treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds, AIFs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs, no BRLM or its respective associates could apply in the Offer under the Anchor Investor Portion. For details, see "***- Bids by Anchor Investors***" on page 330.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate was required to be lodged with the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds were required to specifically state names of the concerned schemes for which such Bids were made.

In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund were not treated as multiple Bids, provided that such Bids clearly indicated the scheme for which the Bid was submitted.

No Mutual Fund scheme was supposed to invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% would not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs were allowed to obtain copies of ASBA Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs applying on a repatriation basis were required to authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding through the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") accounts, and Eligible NRIs bidding on a non-repatriation basis were required to authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of Retail Individual Investors Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid amount, at the time of submission of the ASBA Form.

Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Participation of Eligible NRI(s) in the Offer was subject to the FEMA Rules.

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (white in colour).

For details of restrictions on investment by NRIs, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 339.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs, were required to be made in the individual name of the Karta. The Bidder/Applicant had to specify that the Bid was being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs have been considered at par with Bids/Applications from individuals.

Bids by FPIs

In terms of the Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations 2019 ("**SEBI FPI Regulations**"), investment in the Equity Shares by a single FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% or common control) shall be below 10% of our post-Offer Equity Share capital.

Further, in terms of the FEMA Rules the total holding by each FPI or an investor group, cannot exceed 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate holdings of all the FPIs, including any other direct and indirect foreign investments in our Company, shall not exceed 24 % of the total paid-up Equity Share capital on a fully diluted basis.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer were advised to use the Bid cum Application Form for Non-Residents (blue in colour).

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the capital of an Indian company is subject to certain limits, i.e. the individual holding of an FPI (including its investor group) is restricted to below 10% of the total paid-up equity capital of the company on a fully diluted basis and the aggregate limit for FPI investment is capped at 24% of the capital of the company. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up equity capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e. 100%). The aggregate limit may be decreased below the sectoral cap to a threshold limit of 24% or 49% or 74% as deemed fit by way of a resolution passed by our Board followed by a special resolution passed by the Shareholders of our Company. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

(a) such offshore derivative instruments are issued only by persons registered as category I FPIs;
(b) such offshore derivative instruments are issued only to persons eligible for registration as category I FPIs;
(c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
(d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)) and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Further, Bids received from FPIs bearing the same PAN have been treated as multiple Bids and were liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI (Foreign Portfolio Investors) Regulations, 2019 (such structure "**MIM Structure**") provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, were liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids have been rejected.

Participation of FPIs in the Offer was subject to the FEMA Rules.

Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the

Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, the venture capital funds which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations).

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders and the Book running Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, was required to be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee was required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate equity investments in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments, cannot exceed 20% of the bank's paid-up share capital and reserves. However, a banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans/investments made to a company.

Bids by SCSBs

SCSBs participating in the Offer were required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 issued by the SEBI. Such SCSBs were required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI was required to be attached to the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDA Investment Regulations**"), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders were advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them and were required to comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), was required to be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer was required to comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹ 250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws was required to be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLMs, may deem fit.

Bids by Anchor Investors

Except for Mutual Funds, AIFs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs, no BRLM or its respective associates could apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor was deemed to be an "associate of the BRLM" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund was required to be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

The above information is given for the benefit of the Bidders. Our Company, the respective Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders were advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulations and as specified in the Red Herring Prospectus.

In accordance with RBI regulations, OCBs could not participate in the Offer.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act 2013, our Company, after filing the Red Herring Prospectus with the RoC, published a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of Financial Express (a widely circulated English national daily newspaper) all editions of Jansatta (a widely circulated Hindi national daily newspaper) and all editions of Navshakti (a widely circulated Marathi daily newspaper, Marathi being the regional language in Mumbai where our Registered and Corporate Office is located). Our Company has, in the pre-Offer advertisement stated the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act 2013, has been in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the BRLMs and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of English national daily newspaper, Financial Express, all editions of Hindi national daily newspaper, Jansatta and all editions of the Marathi daily newspaper Navshakti (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located).

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders have entered into an underwriting agreement with the Underwriters and immediately after signing the Underwriting Agreement, the Company is filing this Prospectus with the RoC. This Prospectus has details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors were not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors could revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors were not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Further, Retail Individual Investors using the UPI Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;

4. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

5. Retail Individual Investors Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Retail Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;

8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. Retail Individual Investors using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;

9. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;

10. If the first Bidder is not the ASBA Account holder (or the UPI-linked bank account holder, as the case may be), ensure that the Bid cum Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be). Bidders (except Retail Individual Investors Bidding using the UPI Mechanism) should ensure that they have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Bid cum Application Form. Retail Individual Investors Bidding using the UPI Mechanism should ensure that they have mentioned the correct UPI-linked bank account number and their correct UPI ID in the Bid cum Application Form;

11. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

13. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or by specifying the application number for all your Bid options as proof of registration of the Bid cum Application Form from the concerned Designated Intermediary;

14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

15. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

17. Ensure that the Demographic Details are updated, true and correct in all respects;

18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

19. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents, including a copy of the power of attorney, are submitted;

21. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

22. Bidders (except Retail Individual Investors Bidding using the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA Account under the ASBA process. Retail Individual Investors Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment, in a timely manner;

23. Note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilize the MIM Structure and such Bids such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

24. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and Retail Individual Investors) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

25. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

26. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the Retail Individual Investor may be deemed to have verified the attachment containing the application details of the Retail Individual Investor Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the ASBA Form in his/her ASBA Account;

27. Retail Individual Investors Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the ASBA Form;

28. Retail Individual Investors Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner;

29. Bids by Eligible NRIs, HUFs and FPIs other than individuals, corporate bodies and family offices, for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer; and

30. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

31. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid on another Bid cum Application Form, as the case may be after you have submitted a Bid to a Designated Intermediary;

4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

5. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

6. Anchor Investors should not Bid through the ASBA process;

7. If you are an RII and are using the UPI Mechanism, do not submit more than one Form from each UPI ID;

8. Do not submit the Bid cum Application Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centers;

9. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

10. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer/Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

12. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;

13. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;

14. Do not Bid for Equity Shares in excess in excess of what is specified for each category;

15. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);

16. Do not submit the General Index Register (GIR) number instead of the PAN;

17. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

18. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of Retail Individual Investors Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

19. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;

20. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

21. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Retail Individual Investors using the UPI Mechanism;

22. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

23. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

24. Do not submit more than one Bid cum Application Form per ASBA Account;

25. Do not submit a Bid using UPI ID, if you are not a Retail Individual Investor;

26. Do not submit an ASBA Form with third party linked UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism); and

27. Do not submit ASBA Forms to a Designated Intermediary at a Bidding Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one branch in the relevant Bidding Centre, for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in).

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see "***General Information***" on page 62.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the net offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Investors and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

Payment into Escrow Account

Our Company and the Selling Shareholders, in consultation with the BRLMs in their absolute discretion, decided the list of Anchor Investors to whom the CAN has been sent, pursuant to which the details of the Equity Shares allocated to them in their respective names have been notified to such Anchor Investors. Anchor Investors were not permitted to Bid through the ASBA process. Instead, Anchor Investors were required to transfer the Bid

Amount (through direct credit, RTGS or NEFT). The payment instruments for payment into the Escrow Accounts were required to be drawn in favour of:

(i) In case of resident Anchor Investors: "Escrow Account - Rossari Biotech Limited IPO - Anchor Investor – R "

(ii) In case of non-resident Anchor Investors: "Escrow Account - Rossari Biotech Limited IPO - Anchor Investor – NR "

Anchor Investors were required to note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among the Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated January 4, 2020 among NSDL, the Company and Registrar to the Offer.
- Agreement dated December 12, 2019 among CDSL, the Company and Registrar to the Offer.

Undertakings by our Company

Our Company undertakes the following:

(i) That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(ii) If Allotment is not made within the prescribed time under applicable law, application monies will be refunded/unblocked in the ASBA Accounts within 15 days from the Bid/Offer Closing Date or such other time as may be specified by SEBI, failing which our Company shall pay interest prescribed under the Companies Act, 2013 and the SEBI ICDR Regulations for the delayed period;

(iii) That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date or such other timeline as may be prescribed by SEBI;

(iv) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by the Company;

(v) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid/ Offer Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

(vi) That, except for (i) the Pre-IPO Placement; and (ii) any allotment of Equity Shares to employees of our Company pursuant to exercise of stock options granted under the ESOP Scheme, no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;

(vii) That if our Company and the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

(viii) That if our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with the SEBI, in the event our Company or the Selling Shareholders subsequently decide to proceed with the Offer;

(ix) That the Allotment Advice/refund confirmation to Eligible NRIs shall be dispatched within specified time, subject to availability of postal services in India;

(x) That adequate arrangements shall be made to collect all Bid cum Application Forms; and

(xi) That our Company shall not have recourse to the Net Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

Undertakings by the Selling Shareholders

Each Selling Shareholder undertakes severally and not jointly in respect of themselves as a Selling Shareholders and their respective portion of the Offered Shares offered by them in the Offer for Sale that:

(i) the Equity Shares offered for sale by them in the Offer are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;

(ii) They are the legal and beneficial owners of the Offered Shares and have absolute entitlement title to the Offered Shares, which are currently held and are free and clear of all pledge, charges, liens and encumbrances and are in compliance with the provisions of the Companies (Significant Beneficial Ownership) Rules, 2018;

(iii) They are not debarred or prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities, in either case under any order or direction passed by SEBI or any other regulatory authority or court / tribunal inside or outside India;

(iv) They shall deposit their Equity Shares offered for sale in the Offer in an escrow demat in accordance with the share escrow agreement executed between the parties to such share escrow agreement;

(v) They shall not have recourse to the proceeds of the Offer until final listing and trading approvals from all the relevant Stock Exchanges where listing is proposed, have been obtained;

(vi) that they shall provide such reasonable assistance to our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer; and

(vii) they shall provide such cooperation to our Company in relation to their respective portion of the Equity Shares offered by them in the Offer for Sale for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges.

The decisions with respect to (i) the Price Band and revision of the Price Band have been taken by our Company and the Selling Shareholders, in consultation with the BRLMs, and (ii) the minimum Bid lot, and (iii) Offer Price, have been taken by our Company and the Selling Shareholders, in consultation with the BRLMs.

Only the statements and undertakings in relation to the Selling Shareholders and their portion of the Equity Shares offered in the Offer for Sale which are confirmed or undertaken by the Selling Shareholders in this Prospectus, shall be deemed to be "statements and undertakings made or confirmed" by the Selling Shareholders. No other statement in this Prospectus will be deemed to be "made or confirmed" by a Selling Shareholder, even if such statement relates to such Selling Shareholder.

Utilisation of Offer Proceeds

Our Board certifies that:

(i) all monies received out of the Fresh Issue and the Pre-IPO Placement shall be credited/transferred to a separate bank account other than the bank account referred to in sub-Section (3) of Section 40 of the Companies Act 2013;

(ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

(iii) details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested. The Company and each of the Selling Shareholders, severally and not jointly, specifically confirm and declare that all monies received out of the Offer shall be transferred to a separate bank account other than the bank account referred to in sub-Section 3 of Section 40 of the Companies Act 2013.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy (defined herein below) and FEMA has been entrusted to the concerned ministries / departments.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India ("**DPIIT**") issued the Consolidated Foreign Direct Investment Policy notified by the D/o IPP F. No. 5(1)/2017-FC-1 dated August 28, 2017, with effect from August 28, 2017 (the "**Consolidated FDI Policy**"), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to August 28, 2017. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT, all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy. It is not clear from the press note whether or not an issuance of the Equity Shares to Restricted Investors will also require a prior approval of the Government of India and each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required and such approval has been obtained, the Bidder was required to intimate the Company and the Registrar about such approval within the Offer Period.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "***Offer Procedure – Bids by Eligible NRIs***" and "***Offer Procedure – Bids by FPIs***" both on page 327.

As per the existing policy of the Government of India, OCBs could not participate in this Offer.

For further details, see "***Offer Procedure***" on page 324.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders were advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, 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 in accordance with any 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 Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.

Applicability of Table F

Article I provides that the regulations contained in Table 'F' of Schedule I of Companies Act 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

Share Capital and Variation of Rights

Article 3 provides that "The authorized Share Capital of the Company shall be as set out in Clause V of the Memorandum of Association with the power to increase or reduce such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this regard and with the power also to divide the shares in the Share Capital for the time being into Equity Share Capital and Preference Share Capital, and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act and these Articles".

Article 4 provides that "Subject to the provisions of the Act and these Articles, the Shares for the time being shall be under the control of the Board, which may issue, allot or otherwise dispose of the Shares or any of them to such persons, in such proportion, on such terms and conditions, either at a premium or at par or at a discount (subject to compliance with the provisions of the Act), at such time as it may from time to time deem fit, and with the sanction of the Company in a General Meeting, to give to any person or persons the option or right to call for any Shares, either at par or premium during such time and for such consideration as the Board deems fit, and may issue and allot Shares on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business. Any Shares so allotted may be issued as fully paid-up Shares and if so issued, shall be deemed to be fully paid-up Shares. Notwithstanding the foregoing, the option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in a General Meeting."

Article 5 provides that "Subject to these Articles and the provisions of the Act, the Company may, from time to time, by Ordinary Resolution, increase the Share Capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution".

Article 6 provides that "Subject to the provisions of the Act, the Company may from time to time by Ordinary Resolution, undertake any of the following:

(i) consolidate and divide all or any of its Share Capital into Shares of larger amount than its existing Shares;

(ii) convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up Shares of any denomination;

(iii) sub-divide its Shares, or any of them, into Shares of smaller amount, such that the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in case of the Share from which the reduced Share is derived; or

(iv) cancel any Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any Person, and diminish the amount of its Share Capital by the amount of Shares so cancelled. A cancellation of Shares pursuant to this Article shall not be deemed to be a reduction of the Share Capital within the meaning of the Act."

Article 7 provides that "Subject to the provisions of these Articles, the Act, other applicable Law and subject to such other approvals, permissions or sanctions as may be necessary, the Company may issue any Shares with or without differential rights upon such terms and conditions and with such rights and privileges (including with regard to voting rights and dividend) as may be permitted by the Act or the applicable Law or guidelines issued by the statutory authorities and/or listing requirements and that the provisions of these Articles".

Article 8 provides that "Subject to the provisions of the Act, any preference Shares may be issued on the terms that they are, or at the option of the Company are, liable to be redeemed on such terms and in such manner as the Company before the issue of the Shares may, by Special Resolution determine".

Article 9 provides that "The period of redemption of such preference Shares shall not exceed the maximum period for redemption provided under the Act".

Article 10 provides that "Where at any time, it is proposed to increase its subscribed Share Capital by the issue/allotment of further Shares either out of the unissued Share Capital or increased Share Capital then, such further Shares may be offered to:

(i) Persons who, at the date of offer, are holders of equity Shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those Shares by sending a letter of offer subject to the following conditions: (a) the offer shall be made by notice specifying the number of Shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined; (b) the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the Shares offered to him or any of them in favour of any other Person and the notice referred to in (a) shall contain a statement of this right, *provided that* the Board may decline, without assigning any reason therefore, to allot any Shares to any Person in whose favor any Member may renounce the Shares offered to him; and (c) after expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the Shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Members and the Company;

    Nothing in sub-Article (i)(b) above shall be deemed to extend the time within which the offer should be accepted; or to authorize any Person to exercise the right of renunciation for a second time on the ground that the Person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation.

(ii) employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to such conditions as may be prescribed under the Act and other applicable Laws; or

(iii) any Persons, whether or not those Persons include the Persons referred to in (i) or (ii) above, either for cash or for a consideration other than cash, if the price of such Shares is determined by the valuation report of a registered valuer, subject to compliance with the applicable provisions of Chapter III of the Act and any other conditions as may be prescribed, if a Special Resolution to this effect is passed by the Company in a General Meeting."

Article 11 provides that "Nothing in Article 0 above shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into Shares in the Company or to subscribe for Shares in the Company; *provided that* the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution adopted by the Company in a General Meeting".

Article 12 provides that "Save as otherwise provided in the Articles, the Company shall be entitled to treat the registered holder of any Share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by Law required, be bound to recognize any equitable or other claim to or interest in such Shares on the part of any other Person."

Article 13 provides that "Any Debentures, debenture-stock or other Securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of Shares, attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of Shares shall not be issued except with the sanction of the Company in General Meeting by a Special Resolution and subject to the provisions of the Act."

Article 14 provides that "The Company shall, subject to the applicable provisions of the Act, compliance with all the Laws, consent of the Board, and consent of its Shareholders' by way of Special Resolution, have the power to issue American Depository Receipts or Global Depository Receipts on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include at the discretion of the Board, limitations on voting by holders of American Depository Receipts or Global Depository Receipts, including without limitation, exercise of voting rights in accordance with the directions of the Board".

Article 15 provides that "If at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied accordingly. To every such separate general meeting of the holders of the Shares of that class, the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply".

Article 16 provides that "The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith".

Article 17 provides that "Subject to the provisions of the Act, the Company may issue bonus Shares to its Members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit".

Article 18 provides that "Subject to the provisions of Sections 68 to 70 and other applicable provisions of the Act, the Company shall have the power to buy-back its own Shares or other Securities, as it may consider necessary".

Article 19 provides that "Subject to the provisions of the Act, the Company shall have the power to make compromise or make arrangements with creditors and Members, consolidate, demerge, amalgamate or merge with other company or companies in accordance with the provisions of the Act and any other applicable Laws".

Article 20 provides that "Subject to the provisions of the Act, the Company may, from time to time, by Special Resolution reduce in any manner and with, and subject to, any incident authorised and consent required under applicable Law:

(i) the Share Capital;

(ii) any capital redemption reserve account; or

(iii) any securities premium account".

Capitalisation Of Profits

Article 21 provides that "The Company in General Meeting may, upon the recommendation of the Board, resolve:

(i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account or otherwise available for distribution; and

(ii) that such sum be accordingly set free for distribution in the manner specified in Article 22 below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions."

Article 22 provides that "The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provision contained in Article 23 below, either in or towards:

(i) paying of any amounts for the time being unpaid on any Shares held by such Members respectively; or

(ii) paying up in full, un-issued Shares of the company to be allotted and distributed, credited as fully paid, to and amongst such Members in the proportions aforesaid; or

(iii) partly in the way specified in Article 22(i) and partly in that specified in Article 22(ii);

(iv) A securities premium account and a capital redemption reserve account may, for the purposes of this Article, only be applied in the paying up of un-issued Shares to be issued to Members of the Company as fully paid bonus Shares.

(v) The Board shall give effect to the resolution passed by the Company in pursuance of this Article."

Article 23 provides that "Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares, if any; and

(ii) generally do all acts and things required to give effect thereto."

Article 24 provides that "The Board shall have power to:

(i) make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares or Debentures becoming distributable in fractions; and

(ii) authorise any Person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing Shares."

Article 25 provides that "Any agreement made under such authority shall be effective and binding on such Members."

Commission and Brokerage

Article 26 provides that "The Company may exercise the powers of paying commissions conferred by Section 40(6) of the Act (as amended from time to time), *provided that* the rate per cent or amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder."

Article 27 provides that "The rate or amount of the commission shall not exceed the rate or amount prescribed under the applicable rules."

Article 28 provides that "The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other."

Article 29 provides that "The Company may also, on any issue of Shares or Debentures, pay such brokerage as may be lawful."

Lien

Article 30 provides that "The Company shall have a first and paramount lien upon all the Shares/ Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) to the extent of monies called or payable in respect thereof, and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect. Such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/ Debentures. Fully paid up Shares shall be free from all liens. Unless otherwise agreed, the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/ Debentures. The Board may at any time declare any Shares/ Debentures wholly or in part to be exempt from the provisions of this Article."

Article 31 provides that "Subject to the provisions of the Act, the Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien. *Provided that* no sale shall be made -

(i) unless a sum in respect of which the lien exists is presently payable; or

(ii) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency."

Article 32 provides that "A Member shall not exercise any voting rights in respect of the Shares in regard to which the Company has exercised the right of lien."

Article 33 provides that

"(i) To give effect to any such sale, the Board may authorise some Person to transfer the Shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the Shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale."

Article 34 provides that

"(i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the Person entitled to the Shares at the date of the sale."

Calls on Shares

Article 35 provides that "Subject to the provisions of the Act, the Board may, from time to time, make calls upon the Members in respect of any money unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times."

Article 36 provides that "Each Member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares."

Article 37 provides that "A call may be revoked or postponed at the discretion of the Board."

Article 38 provides that "A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments."

Article 39 provides that "The joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof."

Article 40 provides that "If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the Person from whom the sum is due shall pay interest thereof from the day appointed for payment thereof to the time of actual payment at 10% (ten per cent) per annum or at such lower rate, if any, as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part."

Article 41 provides that "Any sum which by the terms of the issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue, such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified."

Article 42 provides that "The Board may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any Member willing to advance the same, whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate as determined by the Board and the Member paying such sum in advance agree upon, *provided that* money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced.

The Member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

The provisions of these Articles shall *mutatis mutandis* apply to any calls on Debentures of the Company."

Transfer of Shares

Article 52 provides that "The Securities or other interest of any Member shall be freely transferable, *provided that* any contract or arrangement between 2 (two) or more Persons in respect of transfer of Securities shall be enforceable as a contract. The instrument of transfer of any Share in the Company shall be duly executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of Members in respect thereof. A common form of transfer shall be used in case of transfer of Shares. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of Shares and the registration thereof."

Article 53 provides that "Where Shares are converted into stock:

(i) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the Shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; *Provided that* the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(ii) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage."

Article 54 provides that "Save as otherwise provided in the Act or any applicable Law, no transfer of a Share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate or certificates of Shares, and is no such certificate is in existence, then the letter of allotment of the Shares. Application for the registration of the transfer of a Share may be made either by the transferor or by the transferee *provided that* where such application is made by the transferor, no registration shall, in the case of a partly paid Share be affected unless the Company gives notice of the application to the transferee in the manner prescribed under the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee, within 2 (two) weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee. On giving not less than 7 (seven) days previous notice in accordance with the Act or any other time period as may be specified by Law, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, *provided that* such registration shall not be suspended for more than 30 (thirty) days at any one time or for more than 45 (forty five) days in the aggregate in any year."

Article 55 provides that "Subject to the provisions of Section 58, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. *Provided that* the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares except where the Company has a lien on the shares being transferred."

Article 56 provides that "No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other documents.”

Transmission of Shares

Article 57 provides that “On the death of a Member, the survivor or survivors where the Member was a joint holder of the Shares, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only Person(s) recognised by the Company as having any title to his interest in the Shares. Nothing in this Article shall release the estate of the deceased joint holder from any liability in respect of any Share which had been jointly held by him with other Persons.”

Article 58 provides that “Any Person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as the Board may from time to time require, and subject as hereinafter provided, elect, either:

(i) to be registered as holder of the Share; or

(ii) to make such transfer of the Share as the deceased or insolvent Member could have made.

All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.”

Article 59 provides that “The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency.”

Article 60 provides that “If the Person so becoming entitled shall elect to be registered as holder of the Shares, such person shall deliver or send to the Company a notice in writing signed by him stating that he so elects.”

Article 61 provides that “If the Person aforesaid shall elect to transfer the Share, he shall testify his election by executing an instrument of transfer in accordance with the provisions of these Articles relating to transfer of Shares.”

Article 62 provides that “All the limitations, restrictions and provisions contained in these Articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.”

Article 63 provides that “A Person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to the General Meetings of the Company, *provided that* the Board may, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share, until the requirements of the notice have been complied with.”

Forfeiture of Shares

Article 64 provides that “If a Member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.”

Article 65 provides that “The notice issued under Article 64 shall:

(i) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(ii) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made will be liable to be forfeited."

Article 66 provides that "If the requirements of any such notice as aforesaid is not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect."

Article 67 provides that "A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit."

Article 68 provides that "At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit."

Article 69 provides that "A Person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by the Person to the Company in respect of the Shares."

Article 70 provides that "The liability of such Person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares."

Article 71 provides that "A duly verified declaration in writing that the declarant is a Director, the manager or the secretary of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Person claiming to be entitled to the Share."

Article 72 provides that "The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the Person to whom the Share is sold or otherwise disposed of."

Article 73 provides that "The transferee shall there upon be registered as the holder of the Share."

Article 74 provides that "The transferee shall not be bound to ascertain or confirm the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity to invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share."

Article 75 provides that "The provision of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, become payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as the same had been payable by virtue of a call duly made and notified."

Shares and Share Certificates

Article 76 provides that "The Company shall cause to be kept a register of Members in accordance with Section 88 of the Act. The Company shall be entitled to maintain in any country outside India a "foreign register" of Members or Debenture holders resident in that country."

Article 77 provides that "A Person subscribing to Shares of the Company shall have the option either to receive certificates for such Shares or hold the Shares with a Depository in electronic form. Where Person opts to hold any Share with the Depository, the Company shall intimate such Depository of details of allotment of the Shares to enable the Depository to enter in its records the name of such Person as the beneficial owner of such Shares."

Article 78 provides that "Every Person whose name is entered as a Member in the register of Members shall be entitled to receive, (i) one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name without payment of any charge, or (ii) several certificates, if the Board so approves (upon paying such fee as the Directors may from time to time determine) each for one or more of such Shares, and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within 1 (one) month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the Company, if any, and shall specify the number and distinctive numbers of Shares to which it relates and amount paid-up thereon and shall be in such form as the Board may prescribe or approve, *provided that* in respect of a Share or Shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate for a Share to one of several joint-holders shall be sufficient delivery to all such holders. Any Member of the Company shall have the right to sub-divide, split or consolidate the total number of Shares held by them in any manner and to request the Company to provide certificate(s) evidencing such sub-division, split or consolidation. If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members of the Company shall as regards voting at Board meetings and General Meetings, service of notice and all or any matters connected with the Company, except the transfer of Shares and any other matters herein otherwise provided, be deemed to be sole holder thereof but joint holders of the Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares and for all incidents thereof according to these Articles."

Article 79 provides that "The Board may subject to the provisions of the Act, accept from any member on such terms and conditions as they think fit, a surrender of his Shares or stock or any part thereof."

Article 80 provides that "If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fee if the Board so decides, or on payment of such fee (not exceeding Rs.2 for each certificate) as the Directors shall prescribe. *Provided that* no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is not further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulations and requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf.

The provisions of this Article shall *mutatis mutandis* apply to issue of certificates for any other Securities, including Debentures, of the Company."

Article 81 provides that "Subject to the provisions of Section 89 of the Act, a Person whose name is entered in the register of Members of the Company as the holder of the Shares but who does not hold the beneficial interest in such Shares shall file with the Company, a declaration to that effect in the form prescribed under the Act and the Company shall make necessary filings with the Registrar as may be required, within a prescribed period as set out in the Act and the rules framed thereunder."

Shareholders' Meetings

Article 82 provides that "An Annual General Meeting shall be held each year within the period specified by the Law. Not more than 15 (fifteen) months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called during business hours on a day that is not a national holiday (declared as such by the Central Government), and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situate, as the Board may determine."

Article 83 provides that "All General Meetings other than the Annual General Meeting shall be called extraordinary General Meetings."

Article 84 provides that

"(i) The Board may, whenever it thinks fit, call an extraordinary General Meeting.

(ii) The Board shall on the requisition of such number of Member or Members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.

(iii) A General Meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days' notice either in writing or through electronic mode in such manner as prescribed under the Act, *provided that* a General Meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode by majority in number of members entitled to vote and who represent not less than 95% (ninety-five percent) of such part of the paid-up Share Capital of the Company as gives a right to vote at such General Meeting.

(iv) Notice of every General Meeting shall be given to the Members and to such other Person or Persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by Section 20 of the Act."

Proceedings at shareholders' meetings

Article 85 provides that "No business shall be transacted at any General Meeting, unless a quorum of Members is present at the time when the meeting proceeds to transact business."

Article 86 provides that "Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act."

Article 87 provides that "In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the General Meeting shall stand adjourned to the same place and time 7 (seven) days later or to such other date and such other time and place as the Board may determine, *provided that* the agenda for such adjourned General Meeting shall remain the same. The said General Meeting if called by requisitionists under Section 100 of the Act shall stand cancelled."

Article 88 provides that "In case of an adjourned meeting or of a change of day, time or place of meeting, the Company shall give not less than 3 (three) days' notice to the Members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated."

Article 89 provides that "The required quorum at any adjourned General Meeting shall be the same as that required at the original General Meeting."

Article 90 provides that "If at the adjourned meeting also a quorum is not present within 30 (thirty) minutes from the time appointed for holding such meeting, the Members present shall be the quorum and may transact the business for which the meeting was called."

Article 91 provides that "The Chairperson may, with the consent of Members at any meeting at which a quorum is present, and shall, if so directed at the meeting, adjourn the meeting, from time to time and from place to place."

Article 92 provides that "No business shall be transacted at any adjourned General Meeting other than the business left unfinished at the meeting from which the adjournment took place."

Article 93 provides that "When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting."

Article 94 provides that "Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting."

Article 95 provides that "Notwithstanding anything contained elsewhere in these Articles, the Company:

(i) shall, in respect of such items of business as the Central Government may, by notification, declare or which are under any other applicable Law required to be transacted only by means of postal ballot; and

(ii) may, in respect of any item of business, other than ordinary business and any business in respect of which Directors or auditors have a right to be heard at any meeting, transact by means of postal ballot,

in such manner as may be prescribed, instead of transacting such business at a General Meeting and any resolution approved by the requisite majority of the Members by means of such postal ballot, shall be deemed to have been duly passed at a General Meeting convened in that behalf and shall have effect accordingly."

Article 96 provides that "Directors may attend and speak at General Meetings, whether or not they are shareholders."

Article 97 provides that "A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act and the Articles."

Article 98 provides that "The Chairperson, if any, of the Board shall preside as Chairperson at every General Meeting of the Company."

Article 99 provides that "If there is no such Chairperson or if he is not present within 15 (fifteen minutes) after the time appointed for holding the General Meeting or is unwilling to act as the Chairperson of the General Meeting, the Directors present shall elect one of their members to be the Chairperson of the General Meeting."

Article 100 provides that "If at any General Meeting no Director is willing to act as the Chairperson or if no Director is present within 15 (fifteen) minutes after the time appointed for holding the General Meeting, the Members present shall choose one of their Members to be the Chairperson of the General Meeting."

Votes of Members

Article 101 provides that "Subject to any rights or restrictions for the time being attached to any class or classes of Shares:

(i) on a show of hands, every Member present in Person shall have 1 (one) vote; and

(ii) on a poll, the voting rights of Members shall be in proportion to their share in the paid-up Share Capital."

Article 102 provides that "The Chairperson shall not have a second or casting vote in the event of an equality of votes at General Meetings of the Company."

Article 103 provides that "At any General Meeting, a resolution put to vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the voting on any resolution on show of hands) demanded by any Member or Members present in Person or by proxy, and having not less than one-tenth of the total voting power or holding Shares on which an aggregate sum of not less than Rs. 5,00,000 (Rupees five lakh) or such higher amount as may be prescribed has been paid up."

Article 104 provides that "Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll."

Article 105 provides that "A Member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once."

Article 106 provides that "In case of joint holders, the vote of the senior who tenders a vote, whether in Person or proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names are stated in the register of Members of the Company."

Article 107 provides that "A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy."

Article 108 provides that "No Member shall be entitled to exercise any voting rights either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his/her name on which any calls or other sums presently payable by him in respect of Shares in the Company have not been paid."

Article 109 provides that "No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such General Meeting and whether given personally or by proxy or otherwise shall be deemed valid for all purpose. Any such objection made in due time shall be referred to the Chairperson of the General Meeting whose decision shall be final and conclusive."

Proxy

Article 110 provides that "Subject to the provisions of the Act and these Articles, any Member of the Company entitled to attend and vote at a General Meeting of the Company shall be entitled to appoint a proxy to attend and vote instead of himself and the proxy so appointed shall have no right to speak at the meeting."

Article 111 provides that "The proxy shall not be entitled to vote except on a poll."

Article 112 provides that "The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the Person named in the instrument proposes to vote; or in the case of a poll, not less than 24 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid."

Article 113 provides that "An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder."

Article 114 provides that "A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Shares in respect of which the proxy is given; *provided that* no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or the adjourned meeting at which the proxy is used."

Directors

Article 115 provides that "The business of the Company shall be managed by the Directors who may pay all expenses incurred in setting up and registering the Company and may exercise all such powers of the Company as are not restricted by the Act or by these Articles."

Article 116 provides that "Subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen), *provided that* the Company may appoint more than 15 (fifteen) directors after passing a Special Resolution. At least one Director shall reside in India for a total period of not less than 182 (one hundred and eighty-two) days in each financial year."

Article 117 provides that "The following shall be the first Directors of the Company:

1. Mr. Sunil Chari
2. Mr. Edward Menezes
3. Mrs. Jyotishna Chari
4. Mrs. Anita Menezes"

Article 118 provides that "Subject to the provisions of the Act, 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. Subject to the provisions of the Act, any Director duly appointed by the Company for a fixed term (including the Independent Directors, Chairman and the Managing Director) shall not be liable to retire by rotation."

Article 119 provides that "The Directors need not hold any qualification shares in the Company."

Article 120 provides that "Subject to the provisions of the Act, each Director shall be paid sitting fees for each meeting of the Board or a Committee thereof attended by him, subject to the ceiling prescribed under the Act."

Article 121 provides that "The Directors shall also be paid travelling and other expenses for attending and returning from meeting of the Board of Directors (including hotel expenses) and any other expenses properly incurred by them in connection with the business of the Company. The Directors may also be remunerated for any extra services done by them outside their ordinary duties as Directors, subject to the provisions of Section 197 of the Act."

Article 122 provides that "Subject to the applicable provisions of the Act, if any Director, being willing shall be called upon to perform extra services for the purposes of the Company, the Company shall remunerate such Director by such fixed sum or percentage of profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration provided above."

Article 123 provides that "Subject to the provisions of Section 197 and the other applicable provisions of the Act, the remuneration of Directors may be fixed at a particular sum or a percentage of the net profits or partly by one way and partly by the other."

Article 124 provides that "In the event that a Director is absent for a continuous period of not less than 3 (three) months from India (an "**Original Director**"), subject to these Articles, the Board may appoint another Director (an "**Alternate Director**"), not being a person holding any alternate directorship for any other Director or holding directorship in the Company, for and in place of the Original Director. The Alternate Director shall be entitled to receive notice of all meetings and to attend and vote at such meetings in place of the Original Director and generally to perform all functions of the Original Director in the Original Director's absence. No Person shall be appointed as an Alternate Director to an Independent Director unless such Person is qualified to be appointed as an Independent Director of the Company. Any Person so appointed as Alternate Director shall not hold office for a period longer than that permissible to the Original Director and shall vacate the office if and when the Original Director returns to India."

Article 125 provides that "The office of a Director shall automatically become vacant, if he is disqualified under any of the provisions of the Act. Further, subject to the provisions of the Act, a Director may resign from his office at any time by giving a notice in writing to the Company and the Board shall on receipt of such notice take note of the same and the Company shall intimate the Registrar and also place the fact of such resignation in the report of Directors laid in the immediately following General Meeting. Such Director may also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within 30 (thirty) days of resignation. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later."

Article 126 provides that "At any Annual General Meeting at which a Director retires, the Company may fill up the vacancy by appointing the retiring Director who is eligible for re-election or some other Person if a notice for the said purpose has been left at the office of the Company in accordance with the provisions of the Act."

Article 127 provides that "No Person shall be appointed as a Director unless he furnishes to the Company his Director Identification Number under Section 154 of the Act or any other number as may be prescribed under Section 153 of the Act and a declaration that he is not disqualified to become a Director under the Act."

Article 128 provides that "No Person appointed as a Director shall act as a Director unless he gives his consent to hold the office as a Director and such consent has been filed with the Registrar within 30 (thirty) days of his appointment in the manner prescribed in the Act."

Article 129 provides that "Subject to the provisions of the Act, the Directors shall have the power, at any time and from time to time to appoint any Persons as Additional Director in addition to the existing Directors so that the total number of Directors shall not at any time exceed the number fixed for Directors in these Articles. Any Director so appointed shall hold office only until the next following Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier, but shall be eligible for re-appointment as Director."

Article 130 provides that "The Company, may by Ordinary Resolution, of which special notice has been given in accordance with the Section 169 of the Act, remove any Director including the managing director, if any, before the expiration of the period of his office. Notwithstanding anything contained in these Articles or in any agreement between the Company and such Director, such removal shall be without prejudice to any contract of service between him and the Company."

Article 131 provides that "If the office of any Director appointed by the Company in General Meeting, is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board but any Person so appointed shall retain his office so long only as the vacating Director would have retained the same if such vacancy had not occurred."

Article 132 provides that "In the event of the Company borrowing any money from any financial corporation or institution or government or any government body or a collaborator, bank, Person or Persons or from any other source, while any money remains due to them or any of them the lender concerned may have and may exercise the right and power to appoint, from time to time, any Person or Persons to be a Director or Directors of the Company and the Directors so appointed, shall not be liable to retire by rotation, subject however, to the limits prescribed by the Act. Any Person so appointed may at any time be removed from the office by the appointing authority who may from the time of such removal or in case of death or resignation of Person, appoint any other or others in his place. Any such appointment or removal shall be in writing, signed by the appointee and served on the Company. Such Director need not hold any qualification shares."

Article 133 provides that "Notwithstanding anything contained in these Articles and subject to the provisions of the Act and applicable Laws, any Shareholder whose shareholding in the Company on a Fully Diluted Basis:

(i) is 26% (twenty six per cent) or more, shall be entitled to nominate 2 (two) Directors on the Board and 1 (one) Director as member on each committee of the Board (statutory or otherwise) other than the audit committee; and

(ii) is 15% (fifteen per cent) or more but less than 26% (twenty six per cent), shall be entitled to nominate 1 (one) Director on the Board and on each committee of the Board (statutory or otherwise) other than the audit committee; and

In the event, the shareholding of such Shareholder falls below 26% (twenty six per cent) but not less than 15% (fifteen per cent), then such Shareholder shall immediately offer to the Board to withdraw the nomination of one of its Director and member on the committee of the Board in its discretion whose decision shall be binding on the concerned member/Director.

In the event, the shareholding of such Shareholder falls below 15% (fifteen per cent), then such Shareholder shall immediately offer to the Board to withdraw the nomination of its Director, whose decision shall be binding on the concerned Director."

Article 134 provides that "Notwithstanding anything contained in these Articles, post the date on which the Equity Shares of the Company are listed on the stock exchanges, the right to appoint Directors pursuant to Article 133 above, shall be subject to the approval of the Shareholders of the Company by way of a Special Resolution at the first General Meeting of the Company post the date on which the Equity Shares of the Company are listed on the stock exchanges."

Article 135 provides that "The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly or reasonably."

MANAGING DIRECTOR OR WHOLE TIME DIRECTOR

Article 136 provides that "The Board may, from time to time, subject to Section 196 and other applicable provisions of the Act, appoint one or more of their body to the office of the managing director or whole time Director for such period and on such remuneration and other terms, as they think fit and subject to the terms of any agreement entered into in any particular case, may revoke such appointment."

Article 137 provides that "Subject to the provisions of any contract between him and the Company, the managing director/ whole-time director, shall be subject to the same provisions as to resignation and removal as the other Directors and his appointment shall automatically terminate if he ceases to be a Director."

Article 138 provides that "Subject to the provisions of the Act, a managing director or whole time director may be paid such remuneration (whether by way of salary, commission or participation in profits or partly in one way and party in other) as the Board may determine."

Article 139 provides that "The Board, subject to Section 179 and any other applicable provisions of the Act, may entrust to and confer upon a managing director or whole time director any of the powers exercisable by them upon such terms and conditions and with such transfers, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers."

MEETINGS OF THE BOARD

Article 140 provides that "The Board may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit."

Article 141 provides that "A Director may, and the manager or the secretary of the Company upon the requisition of a Director shall, at any time convene a meeting of the Board."

Article 142 provides that "Subject to the provisions the Act, the Board shall meet at least 4 (four) times in a year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board."

Article 143 provides that "The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio visual means shall also be counted for the purpose of quorum. *Provided that* where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time."

Article 144 provides that "The continuing Directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose."

Article 145 provides that "If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) Persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company."

Article 146 provides that "Subject to the provisions of the Act allowing for shorter notice periods, a meeting of the Board shall be convened by giving not less than 7 (seven) days' notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means."

Article 147 provides that "Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes."

Article 148 provides that "The Board may elect a Chairperson for its meetings and determine the period for which he is to hold office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of their member to be Chairperson of the meeting."

Article 149 provides that "In case of equality of votes, the Chairperson of the Board shall have a second or casting vote at Board meetings of the Company."

Article 150 provides that "The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such Member or Members of its body as it thinks fit."

Article 151 provides that "Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board."

Article 152 provides that "A committee may elect a Chairperson of its meetings and may also determine the period for which he is to hold office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Members present may choose one of their Members to be Chairperson of the meeting."

Article 155 provides that "Subject to these Articles and Sections 175, 179 and other applicable provisions of the Act, a circular resolution in writing, executed by or on behalf of a majority of the Directors or members of the Committee, shall constitute a valid decision of the Board or committee thereof, as the case may be, *provided that* a draft of such resolution together with the information required to make a fully-informed good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any, was sent to all of the Directors or members of the committee (as the case may be) at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act, and has been approved by a majority of the Directors or members who are entitled to vote on the resolution."

Article 156 provides that "All acts done in any meeting of the Board or of a committee thereof or by any Person acting as a Director shall, notwithstanding that it may be afterwards discovered that his appointment was invalid by reason of any defect for disqualification or had terminated by virtue of any provisions contained in the Act, or in these Articles, be as valid as if every such Director or such Person had been duly appointed and was qualified to be a Director."

Article 157 provides that "Subject to the provisions of the Act, no Director shall be disqualified by his office from contracting with the Company, nor shall any such contract entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided, nor shall any Director contracting or being so interested be liable to account to the Company for any profit realized by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established; *provided that* every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement, entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board and shall not participate in such meeting as required under Section 184 and other applicable provisions of the Act, and his presence shall not count for the purposes of forming a quorum at the time of such discussion or vote."

POWERS OF THE DIRECTORS

Article 158 provides that "The Directors shall have powers for the engagement and dismissal of managers, engineers, clerks and assistants and shall have power of general directions, management and superintendence of the business of the Company with full power or do all such acts, matters and things deemed necessary, proper or expedient for carrying on the business of the Company and to make and sign all such contracts, and other government papers and instruments that shall be necessary, proper or expedient, for the authority and direction of the Company except only such of them as by the Act or by these Articles are expressly directed to be exercised by the Members in the General Meeting."

Article 159 provides that "Subject to Section 179 of the Act, the Directors shall have the right to delegate any of their powers to such managers, agents or other Persons as they may deem fit and may at their own discretion revoke such powers."

Article 160 provides that "The Board of Directors shall, or shall authorize Persons in their behalf, to make necessary filings with governmental authorities in accordance with the Act and other applicable Law, as may be required from time to time."

Article 161 provides that "Subject to the provisions of the Act and these Articles, the Board shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorized to exercise and do; *provided that* the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act, or any other statute or by the Memorandum of Association or by these Articles or otherwise, to be exercised or done by the Company in a General Meeting; provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting, but no regulation made by the Company in General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made."

Article 162 provides that "Subject to the provisions of the Act and the and any other applicable Law for the time being in force, the Directors shall have the power, from time to time and at their discretion, to borrow, raise or secure the payment of any sum of money for and on behalf of the Company in such manner and upon such terms and conditions in all respects as they think fit and through the issue of Debentures or bonds of the Company or by mortgage or charge upon all or any of the properties of the Company both present and future including its uncalled capital then available."

Article 163 provides that "The Directors shall have the power to open bank accounts, to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, *hundies* and bills or may authorise any other Person or Persons to exercise such powers."

BORROWING POWERS

Article 164 provides that "Subject to the provisions of the Act, the Board may from time to time, at their discretion raise or borrow or secure the payment of any sum or sums of money for and on behalf of the Company. Any such money may be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit by promissory notes or by opening loan or current accounts or by receiving deposits and advances at interest with or without security or otherwise and in particular by the issue of bonds, perpetual or redeemable Debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and Securities of the Company or by other means as the Board deems expedient."

Article 165 provides that "The Board of Directors shall not except with the consent of the Company by way of a Special Resolution, borrow moneys where the moneys to be borrowed together with the moneys 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 paid-up Share Capital, free reserves and securities premium of the Company."

DIVIDEND AND RESERVES

Article 166 provides that "The Company in a General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board."

Article 167 provides that "Subject to the provisions of the Act, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company."

Article 168 provides that "The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve."

Article 169 provides that "Subject to the rights of Persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares."

Article 170 provides that "No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of these Articles as paid on the Share."

Article 171 provides that "All dividends shall be apportioned and paid proportionately to the amounts, paid or credited as paid on the 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 dividend as from a particular date such Share shall rank for dividend accordingly."

Article 172 provides that "The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares."

Article 173 provides that "Any dividend, interest or other monies payable in cash in respect of Shares may be paid by electronic mode or by cheque, demand draft or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Members of the Company, or to such Person and to such address as the holder or joint holders may in writing direct."

Article 174 provides that "Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent."

Article 175 provides that "Any one of two or more joint holders of a Share may give effectual receipts for any dividends, bonuses or other payments in respect of such Share."

Article 176 provides that "Notice of any dividend, whether interim or otherwise, that may have been declared shall be given to the Persons entitled to share therein in the manner mentioned in the Act."

Article 177 provides that "No dividend shall bear interest against the Company."

Article 178 provides that "A Shareholder can waive/forgo the right to receive the dividend (either final and/or interim) to which he is entitled, on some or all the Equity Shares held by him in the Company. However, the Shareholder cannot waive/forgo the right to receive the dividend (either final and/or interim) for a part of percentage of dividend on Share(s)."

Article 179 provides that "Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor Education and Protection Fund established under section 125 of the Act. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law."

Article 180 provides that "The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company."

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of the Red Herring Prospectus) which are, or may be deemed material, have been entered or to be entered into by our Company. The documents for inspection referred to hereunder were available for inspection at our Registered and Corporate Office, from 10.00 a.m. to 4.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date). Due to the COVID-19 pandemic, SEBI pursuant to its Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, granted the relaxation to provide procedure for inspection of material documents electronically, and accordingly, copies of the documents for inspection referred to hereunder, were also available on the website of the Company at https://www.rossari.com/about/investor-relations from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

Material Contracts to the Offer

1. Offer agreement dated December 18, 2019 entered into among our Company, the Selling Shareholders and the BRLMs;
2. Registrar agreement dated December 16, 2019 entered into among our Company, the Selling Shareholders and the Registrar to the Offer;
3. Escrow and Sponsor Bank agreement dated March 6, 2020 as amended by the amendment agreement dated July 9, 2020, entered into among our Company, the Selling Shareholders, the BRLMs, the Banker(s) to the Offer, and the Registrar to the Offer;
4. Share Escrow agreement dated March 6, 2020 entered into among our Company, the Selling Shareholders, and the Share Escrow Agent;
5. Syndicate agreement dated March 6, 2020 as amended by the amendment agreement dated July 9, 2020, entered into among our Company, the Selling Shareholders, the Syndicate and the Registrar to the Offer;
6. Monitoring agency agreement dated March 6, 2020, entered into between our Company and the Monitoring Agency; and
7. Underwriting agreement dated July 16, 2020 entered into among our Company, the Selling Shareholders, the BRLMs and Syndicate Members.

Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association;
2. Certificate of incorporation dated August 10, 2009;
3. Consent letters, each dated December 16, 2019, from Mr. Edward Menezes and Mr. Sunil Chari, consenting to the inclusion of their respective portions of the Offered Shares;
4. Resolution of the Board dated November 12, 2019 in relation to the Offer and other related matters;
5. Resolution of the IPO Committee dated July 1, 2020 approving the working capital requirements;
6. Certificate dated July 4, 2020 issued by JMT & Associates for certifying the working capital requirements of our Company;
7. Resolution dated November 19, 2019 of the Shareholders in relation to the Fresh Issue and other related matters;
8. Resolution of the Board dated July 4, 2020 approving the Red Herring Prospectus for filing with SEBI, the RoC and Stock Exchanges;
9. Resolution of the Board dated July 16, 2020 approving this Prospectus for filing with SEBI, the RoC and Stock Exchanges;
10. Copies of our annual reports for the preceding three Fiscals;
11. Resolution of the Board dated February 25, 2020 approving the Pre-IPO Placement;
12. Resolution dated February 25, 2020 of the Shareholders approving the Pre-IPO Placement;
13. Comfort letters each dated February 27, 2020 issued by the Company to IIFL Special Opportunities Fund – Series 4, ICICI Lombard General Insurance Company Limited, Axis New Opportunities AIF-I, India Acorn Fund LTD, Infina Finance Private Limited, Mirae Asset Health Care Fund, Mirae Asset Equity Savings Fund, Mirae Asset Mid Cap Fund, Sundaram Mutual Fund A/C Sundaram Select Micro Cap Series –XIV, Sundaram Mutual Fund A/C Sundaram Select Micro Cap Series –XV, Sundaram Mutual Fund A/C Sundaram Select Micro Cap Series –XVI, Sundaram Mutual Fund A/C Sundaram Select Micro

Cap Series –XVII, Sundaram Mutual Fund A/C Sundaram Long Term Tax Advantage Fund – Series – III, Sundaram Mutual Fund A/C Sundaram Emerging Small Cap – Series I, Sundaram Mutual Fund A/C Sundaram Emerging Small Cap – Series II, Malabar India Fund Limited and Malabar Value Fund;

14. Employment agreement dated October 23, 2019 entered into with Mr. Edward Menezes;
15. Employment agreement dated October 23, 2019 entered into with Mr. Sunil Chari;
16. Joint venture agreement dated January 16, 2014 entered into between Mr. Edward Menezes, Mr. Sunil Chari and BUZIL-WERK Wagner GmbH & Co KG and addendum cum deed of adherence (agreement) date October 17, 2018 to the joint venture agreement dated January 16, 2014 between BUZIL-WERK Wagner GmbH & Co KG, Mr. Edward Menezes, Mr. Sunil Chari, Buzil Rossari Private Limited and Rossari Biotech Private Limited;
17. Share Subscription and Shareholders Agreement dated June 26, 2020 executed by and among Rossari Personal Care, Fairplum Private Limited, VSTAR Family Trust, Mr. Rupesh Agarwal and our Company;
18. Personal guarantee dated April 29, 2019 issued by Mr. Edward Menezes and Mr. Sunil Chari in favour of Hongkong and Shanghai Banking Corporation Limited;
19. Guarantee agreement dated September 5, 2019 between Mr. Edward Menezes and Mr. Sunil Chari and the State Bank of India;
20. Deed of Guarantee dated October 15, 2019 issued by Mr. Edward Menezes in favour of Axis Bank Limited;
21. Deed of Guarantee dated October 21, 2019 issued by Mr. Sunil Chari in favour of Axis Bank Limited;
22. Supplementary letter of continuing guarantee dated September 13, 2019 issued by Mr. Edward Menezes and Mr. Sunil Chari in favour of HDFC Bank Limited;
23. The examination report dated July 1, 2020 of our Statutory Auditors, on our Restated Financial Statements;
24. Consent from the Statutory Auditors namely, to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations and as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in their capacity as the Statutory Auditor and in respect of their examination report dated July 1, 2020 on our Restated Financial Statements and their report dated July 1, 2020 on the statement of special tax benefits included in the Red Herring Prospectus and this Prospectus;
25. Consent from Mr. Paresh Bodar, Independent Chartered Engineer, to include his name in the Red Herring Prospectus and this Prospectus as "expert", as defined under Section 2(38) of the Companies Act 2013, in respect of his certificate dated July 3, 2020;
26. Consents of bankers to our Company, the BRLMs, Registrar to the Offer, Banker(s) to the Offer, Monitoring Agency, legal counsels, Directors of our Company, lenders to our Company (where such consent is required), Company Secretary and Compliance Officer and Chief Financial Officer, to act in their respective capacities;
27. In-principle listing approvals dated December 27, 2019 and January 10, 2020 from the BSE and NSE, respectively;
28. Tripartite Agreement dated January 4, 2020, among our Company, NSDL and the Registrar to the Offer;
29. Tripartite Agreement dated December 12, 2019, among our Company, CDSL and the Registrar to the Offer;
30. Due diligence certificate to SEBI from the BRLMs dated December 18, 2019;
31. Exemption letter dated February 24, 2020 issued by SEBI (Ref. No. SEBI/HO/CFD/DIL2/OW/P/6981/2020);
32. Industry report titled "*Global and Indian Specialty Chemicals Report*" dated December 10, 2019 by F&S;
33. Final observation letter dated February 20, 2020 issued by SEBI (Ref. No. SEBI/HO/CFD/DIL-II/ADM/GB/6801/2020) and our in-seriatim reply to the same dated March 3, 2020;
34. Email dated July 3, 2020 issued by SEBI; and
35. The statement of special tax benefits dated July 1, 2020 from the Statutory Auditors included in the Red Herring Prospectus and this Prospectus.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance with the provisions contained in the Companies Act, 2013 and other relevant statutes.

DECLARATION

We 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, or the rules, regulations or guidelines issued by the SEBI 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 this Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 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. We further certify that all the disclosures made in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Mr. Edward Menezes
(Executive Chairman)

Mr. Sunil Chari
(Managing Director)

Mr. Goutam Bhattacharya
(Independent Director)

Ms. Meher Castelino
(Independent Director)

Mr. Aseem Dhru
(Independent Director)

Mr. Robin Banerjee
(Independent Director)

Mr. Sharabh Pachory
(Independent Director)

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Ms. Manasi Nisal

Place: Mumbai

Date: July 16, 2020

DECLARATION BY MR. EDWARD MENEZES

Mr. Edward Menezes hereby confirms that all statements and undertakings made or confirmed by him in this Prospectus about or in relation to himself as a Selling Shareholder and the Equity Shares offered by him through the Offer for Sale, are true and correct. Mr. Edward Menezes assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

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Mr. Edward Menezes

Date: July 16, 2020

DECLARATION BY MR. SUNIL CHARI

Mr. Sunil Chari hereby confirms that all statements and undertakings made or confirmed by him in this Prospectus about or in relation to himself as a Selling Shareholder and the Equity Shares offered by him through the Offer for Sale, are true and correct. Mr. Sunil Chari assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

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Mr. Sunil Chari

Date: July 16, 2020