DRAFT LETTER OF OFFER
Dated: November 06, 2023
For Eligible Equity Shareholders only

MITSU CHEM PLAST LIMITED

Our Company was originally incorporated as "Mitsu Chem Private Limited" on September 23, 1988 at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra. Thereafter, the name of our Company was changed to "Mitsu Chem Plast Private Limited", pursuant to a special resolution passed by the shareholders of our Company on May 11, 2016 and a fresh certificate of incorporation consequent to the change of name, was granted to our Company on May 25, 2016 by the Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into public limited company pursuant to special resolution passed by the shareholders of our Company in their meeting held on May 11, 2016 and the name of our Company was changed to "Mitsu Chem Plast Limited" and a fresh certificate of incorporation consequent upon conversion of Company to Public Limited dated June 8, 2016 was issued by Registrar of Companies, Mumbai, Maharashtra.

Registered Office: 329, Gala Complex, 3rd Floor, Din Dayal Upadhyay Marg, Mulund (West), Mumbai – 400 080, Maharashtra, India.
Tel: +91 22 2592 0055, **Website**: https://www.mitsuchem.com/
Contact Person: Ankita Bhanushali, Company Secretary and Compliance Officer, **Email:** investor@mitsuchem.com,
Corporate Identity Number: L25111MH1988PLC048925

OUR PROMOTERS: JAGDISH DEDHIA, SANJAY DEDHIA AND MANISH DEDHIA

FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY ONLY

ISSUE OF UP TO [•] PARTLY PAID-UP EQUITY SHARES WITH A FACE VALUE OF ₹ 10/- EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [•] /-(RUPEES [•] ONLY) EACH INCLUDING A SHARE PREMIUM OF ₹ [•] (RUPEES [•]ONLY) PER RIGHTS EQUITY SHARE ("ISSUE PRICE") FOR AN AGGREGATE AMOUNT UP TO ₹ 4500 LAKHS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [•] RIGHTS EQUITY SHARES FOR EVERY [•] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [•], [•] (THE "ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [•] TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, SEE "TERMS OF THE ISSUE" ON PAGE 198 OF THIS DRAFT LETTER OF OFFER.

WILFUL DAFAULTERS

Neither our Company, our Promoters nor Directors are categorized as Wilful Defaulters or Fraudulent Borrowers.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue 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 Draft Letter of Offer. Specific attention of the investors is invited to "*Risk Factors*" beginning on page 24 of this Draft Letter of Offer before making an investment in this Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of this Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

LISTING

The existing Equity Shares of the company are listed on BSE. Our Company has received 'in-principle' approvals from BSE for the listing of the Rights Equity Shares to be allotted pursuant to this issue vide their letters dated [●] and [●], respectively. For the purposes of this Issue, the Designated Stock Exchange shall be BSE.

REGISTRAR TO THE ISSUE

BIGSHARE SERVICES PRIVATE LIMITED
Office No. S6-2, 6th Floor,
Pinnacle Business Park, Next to Ahura Centre
Mahakali Caves Road,
Andheri (East), Mumbai – 400 093.
Maharashtra, India
Telephone: +91 22 6263 8200
Email: rightsissue@bigshareonline.com
Investor grievance email: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Suraj Gupta
SEBI Registration No.: INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON	[●]*
LAST DATE FOR MARKET RENUNCIATION	[●]*
ISSUE CLOSES ON	[●]**

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

***Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Letter of Offer but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, Issue related terms used but not defined in this Draft Letter of Offer shall have the meaning ascribed to such terms under the General Information Document.

Notwithstanding the foregoing, the terms used in "Industry Overview", "Financial Information", "Outstanding Litigation and Material Developments" beginning on pages 66, 114, 189 respectively, shall have the meaning ascribed to them in the relevant section.

General Terms

Term	Description
"our Company" or "the Company"	Mitsu Chem Plast Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered Office at 329, Gala Complex, 3rd Floor, Din Dayal Upadhyay Marg, Mulund (West), Mumbai – 400 080, Maharashtra, India
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company

Company related terms

Term	Description
AoA /Articles of Association or Articles	Unless the context otherwise requires, refers to the Articles of Association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management – Corporate Governance*" on page 105
Auditors/ Statutory Auditors	The statutory auditors of our Company, currently being M/s. Gokhale & Sathe, Chartered Accountants
Board/ Board of Directors	Board of directors of our Company, as described in "*Our Management*", beginning on page 101
Chief Financial Officer/ CFO	Chief financial officer of our Company, being Mr. Manish Dedhia
Company Commissioned Marketysers Report	Report titled 'India Injection Molded and Blow Molded Plastics Market' dated July 5, 2022 prepared by Marketysers Global Consulting LLP
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company, being Ms. Ankita Bhanushali
CSR Committee/ Corporate Social Responsibility Committee	Corporate social responsibility committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, and as described in "*Our Management – Corporate Governance*" on page 105
Director(s)	Directors on our Board as described in "*Our Management*", beginning on page 101
Equity Shares	The equity shares of our Company of face value of ₹ 10 each.
Executive Director(s)/ Whole-time Directors(s)	Executive Directors or Whole-time Directors(s) on our Board, as described in "*Our Management*", beginning on page 101
Independent Directors	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, please see "*Our Management*" on page 101

Term	Description
Joint Managing Director	Joint Managing Director on our Board, as described in "*Our Management*", beginning on page 101
KMP/ Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1) (bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 as applicable and as further disclosed in "*Our Management*" on page 101
MOA/ Memorandum of Association	The memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee	Nomination and Remuneration Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management – Corporate Governance*" on page 105
Promoter Group	Such individuals and entities which constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in "*Our Promoters and Promoter Group*" on page 110
Promoters	The promoters of our Company, being Jagdish Dedhia, Sanjay Dedhia and Manish Dedhia. For details, please see "*Our Promoters and Promoter Group*" on page 110
Registered Office	The Registered Office of our Company, situated at 329, Gala Complex, 3rd Floor, Din Dayal Upadhyay Marg, Mulund (West), Mumbai – 400 080, Maharashtra, India
Restated Financial Statement/ Restated Financial Information	The restated financial statement of our Company comprises of the Restated Financial Statements of our Company, which comprise of the restated summary statement of Assets and Liabilities as at 30th September, 2023, 31st March, 2023, 31st March, 2022, the restated summary statements of profit and loss (including other comprehensive income), the restated summary statement of cash flows and the restated statement of changes in equity for the years ended 31st March, 2023, 31st March, 2022, read together with summary statement of significant accounting policies, annexures and notes thereto prepared in accordance with Ind AS and restated by Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended.
ROC/Registrar of Companies	The Registrar of Companies, Maharashtra at Mumbai.
Shareholder(s)	Shareholders of our Company, from time to time
Stakeholders Relationship Committee	Stakeholders' Relationship Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in "*Our Management – Corporate Governance*" on page 105
Subsidiary	Subsidiary as defined under section 2(87) of Companies Act, 2013
Unit I	Unit I of our Company located at N 83 and 84, Tarapur Industrial Area, Palghar District, Thane, Maharashtra, India
Unit II	Unit II of our Company located at J-237, Tarapur Industrial Area, Palghar District, Thane, Maharashtra, India
Unit III	Unit III of our Company located at Survey No. 24, Hissa Nos. 1, 8B, 15, 11 & 12, Village Talawali, Taluka Khalapur, District Raigad, Maharashtra, India

Issue Related Terms

Term	Description
Additional Rights Shares	The Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allot/ Allotment/ Allotted	Allotment of Equity Shares pursuant to the Issue.
Allotment Advice	A note or advice or intimation of Allotment sent to all the Investors who has been allotted or is to be allotted the Equity shares in the Issue after approval of the Basis of Allotment by the Designated Stock Exchange.
Allotment Date	Date on which the Allotment is made pursuant to the Issue.
Allottee	A successful Investor to whom the Equity Shares are Allotted
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of the Draft Letter of Offer, including an ASBA Applicant.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application though the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicants to make an application authorizing a SCSB to block the Application Money in the ASBA Account.
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be.
Banker(s) to the Issue	Collectively, the Escrow Collection Bank(s), Refund Bank(s) to the issue, in this case being [•]., Sponsor Bank, as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Applicants under the Issue and as described in "*Terms of the Issue*" beginning on page 198
Call(s)	The notice issued by our Company to the holders of the Rights Equity Shares as on the Call Record Date for making a payment of the Call Monies
Call Mony(ies)	The balance amount payable by the holders of the Rights Equity Shares pursuant to the Payment Schedule, being ₹ [•] per Rights Equity Share ([•] % of Issue Price) after payment of the Application Money.
Call Record Date	A record date fixed by our Company for the purpose of determining the names of the holders of Rights Equity Shares for the purpose of issuing of the Call.
Client ID	Client identification number maintained with one of the Depositories
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and / or such other website(s) as may be prescribed by the SEBI / Stock Exchange(s) from time to time
Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper Application, as the case may be, used by the Investors and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Designated Stock Exchange	BSE Limited

Term	Description
Draft Letter of Offer/ DLOF	This Draft Letter of Offer dated 06th November, 2023
Eligible Equity Shareholder(s)	Holder(s) of Equity Shares of our Company as on the Record Date
Equity Share Capital	Equity share capital of our Company
Escrow Account(s)	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors making an Application through the ASBA
Issue/ Rights Issues	Issue of up to [●] partly paid up equity shares with a face value of ₹ [●] each at a premium of ₹ [●]per Equity Share for an amount aggregating up to ₹ 4500 Lakhs on a rights basis to the existing Equity Shareholders in the ratio of [●] Equity Share for every [●] fully paid-up Equity Share(s) (i.e., [●]) held by the existing Equity Shareholders on the Record Date. The issue price is [●] times the face value of the Equity Shares. On Application, Investors will have to pay ₹ [•] per Rights Equity Share which constitutes [•]% of the Issue Price and the balance ₹ [•] per Rights Equity Share which constitutes [•]% of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined by our Board at its sole discretion, from time to time.
Issue Price	₹ [●] (Rupees [●]) per Equity On Application, Investors will have to pay ₹ [•] per Rights Equity Share which constitutes [•]% of the Issue Price and the balance ₹ [•] per Rights Equity Share which constitutes [•]% of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined by our Board at its sole discretion, from time to time
Issue Opening Date	[•]
Issue Closing Date	[•]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their applications, in accordance with the SEBI ICDR Regulations.
Issue Proceeds	The proceeds of the Issue shall be available to our Company. For further information about the use of the Issue Proceeds, please see "*Objects of the Issue*" beginning on page 59.
Letter of Offer/LOF	The final letter of offer to be filed with the BSE after incorporating the BSE observations received from the BSE on the Draft Letter of Offer;
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations.
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application
Non-ASBA Investor	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs registered with SEBI
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before [●].
Payment Schedule	Payment schedule under which on Application, Investors will have to pay ₹ [•] per Rights Equity Share which constitutes [•]% of the Issue Price and the balance ₹ [•] per Rights Equity Share which constitutes [•]% of the Issue Price, will have to be paid, on

Term	Description
	one or more subsequent Call(s), as determined by our Board at its sole discretion, from time to time.
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	A record date fixed by our Company for the purposes of determining the names of the Equity Shareholders who are eligible for the issue of Rights Equity Shares i.e. [●]
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●]
Renouncees	Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date..Such period shall close on [•], [•]in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee prior to the issue closing date.
Registrar Agreement	The agreement entered into amongst our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar to the Issue/ Registrar	Bigshare Services Private Limited
Retail Individual Investors or RII(s)	An individual Investor (including an HUF applying through Karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹2,00,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
Rights Entitlement(s)	The number of Equity Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor(s) on the Record Date, being [•] Rights Equity Shares for every [•] Equity Shares held on [•], [•].
Rights Entitlement Letter/ Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue, on partly paid-up basis
SCORES	Securities and Exchange Board of India Complaints Redress System
SEBI Listing Regulations/ SEBI (LODR) Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI Master Circular Master circular	Master circular dated June 21, 2023 issued by the Securities and Exchange Board of India in order to enable stakeholders to have access to all circulars/directions issued under the relevant provisions of the SEBI ICDR Regulations, 2018 at one place.
SEBI Regulations/ SEBI ICDR Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto
SEBI Takeover Regulations/ Takeover Code/ Regulations	The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto
Stock Exchanges	Stock Exchanges where the Equity Shares are presently listed, BSE Limited
SCSB(s)	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Banker to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Working Day	All days on which commercial banks in Mumbai, India are open for business. Further in respect of Issue Period "Working Day" shall mean all days, excluding Saturdays, Sundays and public holidays on which commercial banks in Mumbai, Maharashtra, India is open for business. Furthermore, the time period between the Issue Closing Date and listing of the Equity Shares on Stock Exchanges, "Working Day" shall mean all

Term	Description
	trading days of Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI

Conventional and General Terms and Abbreviations

Term	Description
A/c	Account
AGM	Annual general meeting
AI	Artificial Intelligence
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
AIPMA	The All India Plastics Manufacturers Association
Air Act	Air (Prevention and Control of Pollution) Act, 1981, as amended
BIS	Bureau of Indian Standards
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
CDSL	Central Depository Services (India) Limited
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
CST	Central Sales Tax
Depositories Act	Depositories Act, 1996.
Depository or Depositories	NSDL and CDSL.
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting
EMS	Environmental Management System
EOU	Export Oriented Unit
EPS	Earnings per share
EUR/ €	Euro
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/ Fiscal/ FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined under SEBI FVCI Regulations
FVTPL	Fair Value Through Profit or Loss
FY	Financial Year
GDP	Gross Domestic Product
GOI	Government of India
GST	Goods and services tax
GVA	Gross value added

Term	Description
Hazardous Waste Rules	Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
HUF	Hindu undivided family
I.T. Act	The Income Tax Act, 1961, as amended
IALM	Indian Assured Lives Mortality
IBC	Insolvency and Bankruptcy Code
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Ind AS Rules
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
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	Indian National Rupee
IRDAI	Insurance Regulatory Development Authority of India
IT	Information technology
ITC	Input Tax Credit
LC	Letter of Credit
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
MDQMS	Medical Device Quality Management System
MEIS	Merchandise Exports from India Scheme
MIDC	Maharashtra Industrial Development Corporation
Mn/ mn	Million
MPCB	Maharashtra Pollution Control Board
MSME	Micro, Small & Medium Enterprises
Mutual Fund(s)	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NCDs	Non-Convertible Debentures
NEFT	National Electronic Fund Transfer
NFE	Net Foreign Exchange
NPCI	National Payments Corporation of India
NRE Account	Non-resident External Account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository 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 the 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 the FEMA. OCBs are not allowed to invest in the Issue
OCED	Organization for Economic Co-operation and Development
OHSMS	Occupational Health and Safety Management System
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PIAI	Packaging Industry Association of India
QMS	Quality Management System

Term	Description
R&D	Research and development
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoDETP Scheme	Remissions of Duties and Taxes on Exported Products Scheme
RONW	Return on Net Worth
Rs./ Rupees/ ₹ / INR	Indian Rupees
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 ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Mutual Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a State of India
STT	Securities Transaction Tax
TCS	Tax Collected at Sources
TDS	Tax Deducted at Sources
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USA/ U.S. / US	The United States of America
USD / US$	United States Dollars
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations
Water Act	Water (Prevention and Control of Pollution) Act, 1974
Wilful Defaulter or Fraudulent Borrower	Wilful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations

Technical and Industry Related Terms

Terms	Description
ABS	Acrylonitrile Butadiene Styrene
CBM	Compression Blow Molding
CoE	Centre of Excellence
CPI	Consumer Price Index
CPR Board	Cardiopulmonary Resuscitation Board
EBM	Extrusion Blow Molding
FDA	Food and Drug Administration
FMCG	Fast-Moving Consumer Goods
FRP	Fiber Reinforced Plastic
F&B	Food and Beverages
HDPE	High Density Polyethylene
HIPS	High Impact Polystyrene
KVA	Kilovolt Ampere
LDPE	Low Density Polyethylene
MTPA	Metric Tonnes Per Annum
PBS	Polybutylene Succinate
PC	Polycarbonate
PET	Polyethylene Terephthalate
PEEK	Polyetheretherketone
PHA	Polyhydroxyalkanoates
PLA	polylactic Acid
PLI Scheme	Production Linked Incentives Scheme
POM	Polyoxymethylene
PVC	Polyvinyl Chloride
PP	Polypropylene
SBR	Styrene-Butadiene Rubber
SKU	Stock Keeping Unit
SMC	Sheet Molding Compound
TPU	Thermoplastic Polyurethane

NOTICE TO INVESTORS

The distribution of the Draft Letter of Offer, the, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer, Letter of Offer, the or Application Form may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer / and Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Company, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Eligible Equity Shareholders who do not communicate with the Registrar to the Issue in the manner provided in the chapter titled “Terms of the Issue” and on the website of the Registrar to the Issue at www.bigshareonline.com to update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Letter of Offer / and Application Form and Rights Entitlement Letter, shall not be sent the Letter of Offer/ and Application Form and Rights Entitlement Letter.

Investors can also access the Draft Letter of Offer, the Letter of Offer and the Application Form from the websites of our Company, the Registrar and the Stock Exchange.

Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials, including the Letter of Offer, , the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent on the registered email addresses of such Eligible Equity Shareholders.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer, the Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Draft Letter of Offer, the Letter of Offer or will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Draft Letter of Offer, the Letter of Offer and the must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Draft Letter of Offer, the Letter of Offer or the or Application Form should not in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Draft Letter of Offer, the Letter of Offer, or the to any person outside India where to do so, would or might contravene local securities laws or regulations. If the Draft Letter of Offer, the Letter of Offer or the or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in the Letter of Offer and the Letter of Offer. Envelopes containing an Application Form and Rights Entitlement Letter should not be dispatched from the jurisdiction where it would be illegal to make an offer and all the person subscribing for the Equity Shares in the Issue must provide an Indian address.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction.

Neither the delivery of the Draft Letter of Offer, the Letter of Offer, , Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company’s affairs from the date hereof or the date of such information or that the information contained is correct as at any time subsequent to the date of the Draft Letter of Offer, the Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

THE CONTENTS OF THE DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

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

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended ("Securities Act"), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof ("United States" or "U.S.") or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act ("**Regulation S**"), except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements referred to in this Draft Letter of Offer are being offered in India, but not in the United States. The offering to which this Draft Letter of Offer and relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and the Letter of Offer / and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address.

Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that,

(i) it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and

(ii) it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which:

(i) does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations;

(ii) appears to us or our agents to have been executed in or dispatched from the United States;

(iii) where a registered Indian address is not provided; or

(iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and

(v) our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

PRESENTATION OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to "India" contained in this Draft Letter of Offer are to the Republic of India and its territories and possessions. All references to the "Government", "Indian Government", "GOI", "Central Government" or the "State Government" are to the Government of India, Central or State, as applicable. All references to the "U.S.", "US", "U.S.A" or "United States" are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time ("**IST**"). Furter, unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

Financial Data

Unless stated or the context requires otherwise, the financial information in this Draft Letter of Offer is derived from our Restated Financial Statements. The Restated Financial Statement included in this Draft Letter of Offer comprises of the restated financial Statements of our Company, which comprise of the restated summary statement of assets and liabilities as at March 31, 2023 and March 31, 2022 along with Limited Review Unaudited Financial Statements for six months ended on September30, 2023 prepared in accordance with Ind AS and restated by Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended. For further information, please see "*Financial Information*" beginning on page 114.

Our Company's financial year commences on April 1 and ends on March 31 of that particular calendar year. Accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12 months period ended on March 31 of such years. Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Draft Letter of Offer are to a calendar year.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. For further details in connection with risks involving differences between Ind AS and other accounting principles, please see "*Risk Factors*" on page 24.

Unless the context otherwise requires or indicates, any percentage amounts (excluding certain operational metrics), as set forth in "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 24, 81 and 180, respectively, and elsewhere in this Draft Letter of Offer have been derived from the Restated Financial Statements.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as otherwise stated, all figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

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 "**US$**", "**US Dollar**", or "**USD**" are to United States Dollars, the official currency of the United States of America.

In this Draft Letter of Offer, our Company has presented certain numerical information. All figures have been expressed in lakhs. One lakh represents 'lakhs' or 100,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than lakhs, such figures appear in this Draft Letter of Offer expressed in such denominations as provided in their respective sources.

Exchange Rates

This Draft Letter of Offer contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Indian Rupee, are as follows.

(in ₹)

Currency	**Exchange Rate as on**		
	October 30, 2023	**March 31,2023**	**March 31, 2022**
1 USD	83.27	82.22	75.81

Source: https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publication and sources. Further, the information has also been derived from the report titled '*India Injection Molded and Blow Molded Plastics Market*' dated July 5, 2022 prepared by Marketysers Global Consulting LLP which was appointed by our Company vide engagement letter dated May 18, 2022. Marketysers Global Consulting LLP is an independent agency and has no relationship with our Company or its Directors, Promoters as on the date of this Draft Letter of Offer.

Disclaimer of Company Commissioned Marketysers Report:

"Reports and surveys are based purely on data or information accumulated from the authorized personals not limited to stakeholders and field marketing executives of reputed companies, Material, organizations or bodies. The information is also derived based on further discussion with subject matter experts heading the practice or at reputed companies.

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Although the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section '*Risk Factors*' on page 24. Accordingly, investors should not place undue reliance on, or base their investment decision on this information. The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on 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 business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

This Draft Letter of Offer contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "propose", "project", "will", "will continue", "will pursue" or other words or phrases of similar import but are not the exclusive means of identifying such statements. Similarly, statements that describe our strategies, objectives, plans, goals, future events, future financial performance or financial needs are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), and other matters discussed in this Draft Letter of Offer that are not historical facts. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. For the reason described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, 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.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate 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 which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

(i) Substantial portion of our revenues come from the manufacturing of polymer based molded industrial packaging products;

(ii) Impact on our business growth, operations and financials because of any change in government policies or quality norms by our customers for molded industrial packaging;

(iii) Failure in generating new clients for new product, pails due to competition and other commercial factors;

(iv) Failure to comply with quality standard as per requirements of customers while manufacturing products;

(v) Any substantial increase in price of crude oil or decrease in the supply of polymer;

(vi) Inability to obtain and / or maintain sufficient cash flow, credit facilities and other sources of funding in a timely manner to meet our requirements of working capital or payment of our debts;

(vii) Failure to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business;

(viii) Failure to anticipate and develop new value-added products and enhance existing products in order to keep pace with rapid changes in customer preferences and the industry on which we focus; and

For details regarding factors that could cause actual results to differ from expectations, please see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", beginning on pages 24, 81 and 180, 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 gains or losses could materially differ from those that have been estimated.

There can be no assurance to 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 to be a guarantee of our future performance. Our Forward-looking statements reflect current views as on the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Neither our Company, our Promoters, our Directors, nor any of its respective affiliates or advisors 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 SEBI ICDR Regulations, our Company will ensure that the investors in India are informed of material developments until the time of the grant of listing and trading permission by Stock Exchanges for the Issue.

SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of the certain disclosures included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including the sections titled "Risk Factors", "Capital Structure", "Objects of the Issue", "Industry Overview", "Our Business", "Our Promoters and Promoter Group", "Restated Financial Statements", "Outstanding Litigation and Other Material Developments" on pages 24, 52, 59, 66, 81, 110, 115, 189, respectively of this Draft Letter of Offer.

Primary business of our Company

We are a packaging solutions provider engaged in the business of manufacturing polymer based molded products mainly used for industrial packaging for industries like chemicals, agrochemicals, pharmaceuticals, lubricants, food and edible oil. We also manufacture polymer based molded hospital furniture parts which are supplied to hospital furniture manufacturing companies. We also cater to the polymer-based product requirements of various other industries including automobile and infrastructure. We use blow molding and injection molding technologies for manufacturing our products. Our product verticals include Molded Industrial Packaging, Hospital Furniture Parts and others. For further information, please see "*Our Business*" on page 81.

Industry in which our Company operates

Plastic molding is the process of pouring liquid plastic into a container or mold and allowing it to harden into the desired shape. These plastic molds can then be used for a variety of applications. When molding plastics, a powder or liquid polymer, such as polypropylene or polyethylene, is poured into a hollow and allowed to assume shape. Various ranges of heat and pressure are employed to create an end product depending on the type of process performed. There are many different types of plastic molding that are thought to be the most effective and popular. The five most used plastic molding types includes extrusion, compression, blow, injection and rotational.

For further information, please see "*Industry Overview*" beginning on page 66.

Name of Promoters

As on the date of this Draft Letter of Offer, our Promoters are Jagdish Dedhia, Sanjay Dedhia and Manish Dedhia. For further details, please see "*Our Promoters and Promoter Group*" on page 110.

Issue Size

Issue [(1)]	Issue of up to [●] Partly Paid-up Equity Shares aggregating up to ₹ 4500 Lakhs

(1) *The Issue has been authorised by our Board pursuant to resolution dated October 30, 2023*

Objects of the Issue

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(in ₹ lakhs)

Particulars	Amount
Repayment or pre-payment, in full or part, of certain borrowings availed by the Company	2,050.00
Funding the working capital requirements of our Company	1,510.00
General corporate purposes*	[●]
Total	**[●]**

**To be finalised upon determination of the Issue Price and updated in the Letter of Offer prior to filing with the ROC. The amount utilised for general corporate purposes shall not exceed 25% of the Net Proceeds of the Issue.*

For further details, please see "*Objects of the Issue*" beginning on page 59.

Aggregate pre-Issue shareholding of Promoters and Promoter Group

The aggregate pre-Issue shareholding of our Promoters and Promoter Group as a percentage of the pre-Issue paid-up equity share capital of our Company as on September 30, 2023, date being closer to date of this Draft Letter of Offer is set out below:

S. No	Name of the Shareholder	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital
Promoters			
1.	Jagdish Dedhia	12,67,092	10.50
2.	Sanjay Dedhia	12,71,922	10.54
3.	Manish Dedhia	16,74,720	13.87
	Total (A)	**42,13,734**	**34.91**
Promoter Group			
1.	Vimlaben Dedhia	17,63,220	14.61
2.	Lilavati Dedhia	17,63,220	14.61
3.	Ameeta Dedhia	4,96,128	4.11
4.	Jigna Dedhia	4,91,298	4.07
5.	Jalpa Dedhia	88,500	0.73
	Total (B)	**46,02,366**	**38.13**
	Total (A+B)	**88,16,100**	**73.04**

For further details, please see "*Capital Structure*" beginning on page 52.

Intention and extent of participation by our Promoter(s) and Promoter Group in the Issue:

Pursuant to the letter dated 30th October, 2023, our Promoters and members of the Promoter Group, has undertaken that they may or may not:

- subscribe, jointly and / or severally to the extent of their Rights Entitlements;

- subscribe, jointly and / or severally to the extent of any Rights Entitlement that may be renounced in their favour by any other Promoters or Member(s) of the Promoter Group of our Company;

- may renounce their Right Entitlements fully or in part in favour of any third party other than the Promoters and members of the Promoter Group ; and

- at their sole discretion, apply for and subscribe to additional Rights Equity Shares, and any such subscription for Rights Equity Shares shall be over and above their Rights Entitlement.

The aforementioned subscription of Rights Equity Shares and Additional Rights Shares by our Promoter, if allotted shall not result in a change of control of the management of our Company and shall not result in an obligation on our Promoter to make an open offer to the public shareholders of our Company in terms of the SEBI Takeover Regulations. Further, as on the date of this Draft Letter of Offer, our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, pursuant to this Issue.

Summary of Financial Information

A summary of the financial information of our Company as per the Restated Financial Statements is as follows:

(in ₹ lakhs, except per share data)

Particulars	As at and for the Half year	As at and for the Fiscal	
	30th September, 2023	31st March, 2023	31st March, 2022
Equity Share Capital	1,207.26	1,207.26	1,207.26
Net worth(1)	6,502.98	6,242.30	5,091.73
Revenue from operations	15,550.26	30,897.46	25,771.71
Profit (loss) attributable to owners of the company	284.83	1,180.46	1,149.99
Earnings per Equity Share (Basic) (in ₹)(2)	2.36	9.78	9.53
Earnings per Equity Share (Diluted) (in ₹)(3)	2.36	9.78	9.53
Net asset value per Equity Share (in ₹)(4)	53.87	51.71	42.18
Total Borrowings	8,185.65	7,708.80	6,715.14

(1) *"Net Worth" means the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and securities premium account, as per the restated statement of assets and liabilities of our Company in the Restated Financial Statements;*
(2) *Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period*
(3) *Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period.*
(4) *Net Asset Value per share = Net Worth at the end of the year/period divided by total number of equity shares outstanding at the end of year/ period*

For further details, please see "*Restated Financial Statements*" on page 115.

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

There are no qualifications by the Statutory Auditors which have not been given effect to in the Restated Financial Statements. For further details, please see "*Restated Financial Statements*" on page 115.

Summary of outstanding litigations

A summary of outstanding litigation proceedings involving our Company, Subsidiary, Directors and Promoters, to the extent applicable, as on the date of this Draft Letter of Offer is provided below:

(₹ in lakhs)

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/ Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation	Aggregate amount involved
1.	**Company**						
	By the Company	NIL	Nil	Nil	Nil	Nil	Nil
	Against the Company	Nil	2	Nil	Nil	Nil	25.81
2.	**Subsidiary**						
	By the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/ Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation	Aggregate amount involved
	Against the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
3.	**Directors**						
	By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
	Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
4.	**Promoters**						
	By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
	Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil

**Not quantifiable*

For further details, please see "*Outstanding Litigation and Material Developments*" beginning on page No. 189.

Risk factors

Investors should please see "*Risk Factors*", beginning on page 24 to have an informed view before making an investment decision.

Summary of contingent liabilities and commitments

For disclosure of contingent liabilities as per Ind AS 37 as at March 31, 2023 please see the section Financial Statements.

Summary of related party transactions

For details of related party transactions of our Company, as per the requirements under Ind AS 24 'Related Party Disclosures' for the financial year ending March 31, 2023 please see Financial Statements.

SECTION II - RISK FACTORS

An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in this Draft Letter of Offer, 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 in which we operate. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment.

In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Our Business", "Restated Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 81, 115 and 180, respectively of this Draft Letter of Offer, as well as the other financial and statistical information contained in this Draft Letter of Offer. In making an investment decision, investors and purchasers of the Equity Shares must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved. Potential investors and purchasers of the Equity Shares should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section.

This Draft Letter of Offer also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer. For further information, please see "Forward-Looking Statements" on page 18 of this Draft Letter of Offer.

Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Letter of Offer. For further information, please see "Restated Financial Statements" on page 115 of this Daft Letter of Offer. We have, in this Draft Letter of Offer, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditors. The manner in which such 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 companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Letter of Offer.

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the report titled 'India Injection Molded and Blow Molded Plastics Market' dated July 5, 2022 (the "**Company Commissioned Marketysers Report**") prepared and issued by Marketysers Global Consulting LLP commissioned and paid by us. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Company Commissioned Marketysers Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

The following risk factors have been determined by our Board of Directors on the basis of their materiality. In accordance with Clause (VI) in Part B of Schedule VI of the SEBI ICDR Regulations, the following factors have been considered for determining the materiality: (i) Some events may not be material individually, but may be found material collectively, (ii) some events may have material impact qualitatively instead of quantitatively; and (iii) some events may not be material at present but may have material impact in the future.

Internal Risk Factors

Risks relating to our Business

1. ***Substantial portion of our revenues come from the manufacturing of polymer based molded industrial packaging products.***

   We are packaging solutions provider engaged in the business of manufacturing polymer based molded products like open mouth/ wide mouth drums, jerry cans, pails containers, bottles and varied size containers required by industries like chemicals, agrochemicals, pharmaceuticals, lubricants, food and edible oil. The revenue from the sale of molded industrial packaging products for the Financial Years 2023, 2022, contributed Rs. 26,135.57 and ₹ 21,611.17 lakhs, respectively, representing 84.59% and 83.86%, respectively, of our revenues from operations. As part of our business strategy, we continue to focus to strengthen our position in the polymer based packaging industry. Our business, growth prospects and financial performance largely depends on our ability to obtain new customers and retain existing clients for the sale of our molded industrial packaging products. There can be no assurance that we will be able to procure new customers or retain our existing customers successfully. In the event we are unable to acquire new customers or retain our existing customers owing to change in demand, our business and financial condition will be materially and adversely affected.

2. ***Any change in government policies or quality norms by our customers for molded industrial packaging, which we may not be able to adhere to, may affect our business growth, operations and financials.***

   Substantial part of our revenue is received from our molded industrial packaging product vertical. We are required to adhere to government policies, international standards or customer quality norms for manufacturing industrial packaging products. These standards are subject to certain changes as may be required by the chemical, pharmaceutical and other industries from time to time. At times some specific changes or requirements are also required by our clients which we comply as per their requirements. However, in the event of any major changes in these standards due to government policies or international norms and client requirements may lead to a major disruption in our business of manufacturing industrial packaging products. We may have to comply with these changes which may require us to obtain newer and expensive raw materials that may be compatible with the technology used by us presently for our manufacturing process. Further, we may not be able to assure that we will be able to adapt to such change and whether such change will be viable considering various parameters of the particular requirements. Such disruption may adversely affect our business growth, operations and financials. For further information, please see "*Key Regulations and Policies in India*".

3. ***Our customers expect us to maintain high quality standards and any failure by us to comply with such quality standards may have an adverse effect on demand from end customers and on our reputation, business, results of operations and financial condition.***

   We are committed to ensuring and maintaining the required industry and regulatory compliance standards while providing high quality products to our end customers. We have emphasized on building strong quality management systems in our manufacturing processes as well as the raw materials used for manufacturing our products. Any failure by us to maintain compliance with these quality standards may disrupt our ability to supply products which meet our customers' requirements. This may further lead to loss of reputation and goodwill of our Company, cancellation of the orders, loss of end customers, rejection of the product, which will require us to incur additional cost, that may not be borne by the end customer, to replace the rejected product, which could have an adverse effect on our business and financial condition.

   Our Company has obtained ISO 9001:2015 (QMS), ISO 14001:2015 (EMS) and ISO 45001:2018 (OHSMS) certification for design, manufacture and supply of plastic containers, automotive parts, furniture parts & other related products. We have also received ISO 13485:2016 (MDQMS) for design, manufacture and supply of plastic healthcare & hospital bed furniture products, other hospital furniture related products, emergency & rescue products along with related accessories. Further, our Spine Boards conform to the Together for Sustainability (TFS) certifications identified by the symbol "CE". The quality control certifications obtained by our Company are subject to periodic audits after which they are renewed or rejected by the authorised entity. For further details, please see "*Our Business*" on page 81 of this Draft Letter of Offer.

If we fail to comply with applicable quality standards in future or if the relevant accreditation institute declines to certify our products, or if we are otherwise unable to obtain such quality accreditations in the future, our business prospects and financial performance may be affected.

Our relationship with our end customers is therefore dependent to a large extent on our ability to regularly meet their requirements, including consistent product quality. Any significant failure or deterioration of our quality management systems could result in defective or substandard products, which, in turn, may result in delays in the delivery of our products and the need to replace defective or substandard products. It may further lead to decrease in orders or cessation of business from affected customers which, in turn, may adversely impact our reputation, business, results of operations and financial condition.

4. ***We may lose clients and their business if our products are not able to meet the durability and other industry standards.***

Our products undergo stringent quality tests to meet our standards before they are delivered to our clients. Some of the tests undertaken to ensure quality such as met flow index test for raw materials like HDPE, HMHDPE and master batches, various strength tests like hydrostatic testing and pneumatic testing on containers for leakages and ruptures, environmental stress cracking resistance test and such other tests. These tests ensure that our products meet the industry standards as required by our clients for safety, durability and environment. If we fail to meet the standards required to be complied with by our clients, we will lose business from these clients and they may approach our competitors for manufacturing their product requirements. Any inability to meet the testing standards of the client may adversely affect our business, operations and financials. For further details, please see "*Our Business*" on page 81 of this Draft Letter of Offer.

5. ***We have historically limited our inorganic growth strategy by way of acquisition of machines from existing units or businesses. We may also consider inorganic growth opportunities by acquiring companies, businesses and assets to accelerate our growth in the future.***

As a part of our inorganic growth strategy, our Company acquired the business, plant and machinery, commercial & technical know-how and "SR" trademark and copyright of Shree Rubberplast Company Private Limited. Further, in August 2019, our Company acquired the plant and machinery, molds and other ancillary equipment of Prince Multiplast Private Limited. From twenty-two (22) machines in 2016, our Company now has)Sixty Four (64) blow molding and injection molding machines with an aggregate installed capacity of 24219 MTPA. For further details, please see "*Our Business*" on page 81 of this Draft Letter of Offer.

Going forward, we may consider inorganic growth opportunities by acquiring companies, businesses and assets to accelerate our growth in the future. We cannot assure you that any potential acquisitions will be successful, and any failure could have a material adverse effect on our growth, financial condition and results of operations.

6. ***Our Company has not entered into any long-term agreements with our customers for purchasing our products. We are subject to uncertainties in demand and there is no assurance that our customers will continue to purchase our products. This could impact the business and financial performance of our Company.***

Our customer portfolio is well diversified and we are serving more than 500 customers on a regular basis. We have historically derived, and may continue to derive, a significant portion of our income from our top 50 customers. In Fiscals 2023 and 2022, our top 50 customers represented 55.18 % and 57.01%, respectively, of our total revenues from operations in such periods. While our top 10 customers represented 25.81 % and 25.35%, of our total revenues from operations in Fiscal 2023 and 2022, respectively. Any reduction in orders from our top 10 or top 50 customers would adversely affect our income. The demand from our major customers, in particular our top 50 customers, determines our revenue levels and results of operations, and our sales are directly affected by their production and inventory levels. Over the years, we have developed strong relationships with our customers through whom we have been able to expand our product offerings and also our geographic reach. Our business depends on the continuity of business with these customers.

We have not entered into any long-term agreements with our customers and instead rely on purchase orders to govern the volume and other terms of our sales of products. Consequently, there is no commitment on the part of our 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 other customers for the surplus or excess capacity, in which case we may be forced to incur a loss due to lack of utilization of our production capacity. Our customers are fairly and evenly spread out and none of our customers dominate our sales for Fiscals 2023 and 2022. Our customers can terminate their relationships with us due to a change in preference or any other reasons, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers are under no obligation to place orders with us and may either cancel, reduce or delay orders. The orders placed by our customers are dependent on factors such as customer satisfaction with the quality of our products, pricing of our products, customer's inventory management, amongst others.

Although, we have a strong emphasis on quality, pricing, timely delivery of our products and personal interaction by the senior management with our customers, any change in the buying pattern of our customers can adversely affect the business and the profitability of our Company.

7. ***Polymer including polypropylene and polyethylene is our primary raw material consumed by us and constitutes a significant percentage of our Company's total expenses. Polymer is a derivative of crude oil and any substantial increase in price of crude oil or decrease in the supply of polymer could materially adversely affect our Company's business.***

Polymer including polypropylene and polyethylene is our primary raw material used to manufacture our products and constitutes a significant percentage of the total expenses of our Company. These raw materials are derived from crude oil and is therefore subject to major price fluctuations in crude oil. Our cost of raw materials consumed constitutes the largest component of our cost structure. For the Fiscals 2023 and 2022, , our cost of raw materials consumed amounted to ₹ 19245.16 lakhs and ₹ 15,253.74 lakhs, , respectively, which represented 62.22 % and 58.93% respectively of our total income.

We currently source most of our key raw materials from domestic vendors viz OMCs. We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials under contracts of shorter periods. As we continue to grow our product portfolio and increase our production capacities, we would need to procure additional volumes of raw materials. We are thus exposed to fluctuations in availability and prices of our raw materials, including on account of exchange rate fluctuations, and we may not be able to effectively pass on any increase in cost of raw materials to our customers, which may adversely affect our margins, sales, results of operations and cash flows. Any inability on our part to procure sufficient quantities of raw materials and on commercially acceptable terms, could lead to a lower sales volumes and profit margins. The period between procurement of raw materials and conversion into finished products is short and therefore the chances of any substantial change in the price of raw material and the price of the final product are less. Further, we sell our finished products in the market at the prevailing rate which includes any fluctuations/volatility in prices of raw materials and stores consumed. We do not have any policy to hedge the fluctuations / volatility in prices of raw materials and stores consumed.

Any material shortage or interruption in the domestic and international supply or decrease in the quality of raw materials due to natural causes or other factors could result in increased production costs that our Company which we may not be able to pass on to customers, which in turn would have a material adverse effect on our Company's business.

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

Our business requires significant amount of working capital. We require significant amount of our working capital for purchasing key raw materials which are procured from domestic and international suppliers. Though, presently we have sanctioned working capital limits from the existing lenders and one of the Objects of the Issue is to meet our future working capital requirements, we may need additional debt in the future to satisfy our working capital needs.

The working capital requirement for Financial Year 2024 is estimated at ₹ 8,296.89 lakhs. An amount of ₹ 1,510.00 lakhs towards working capital requirements will be funded out of the Issue Proceeds, whereas the balance, if any, would be arranged from our internal accruals and/or loan funds. For further details, please see "*Objects of the Issue*" beginning on page 59 of this Draft Letter of Offer.

We strive to maintain strong relationships with banks and non-banking financial institutions to increase our financing flexibility. Our credit profile often enables us to obtain financing on favourable terms from financial institutions. However, we cannot assure you that our relationships with lenders will not change or that lenders will continue lending practices we are familiar with. Our lenders may implement new credit policies, adopt new pre-qualification criteria or procedures, raise interest rates or add restrictive covenants in loan agreements, some or all of which may significantly increase our financing costs, or prevent us from obtaining financings totally. As a result, our manufacturing process may be subject to significant delays and cost overruns, and our business, financial condition and results of operations may be materially and adversely affected. For further details on provisions made for bad debts, see the "*Restated Financial Statements*" beginning on page 115 of this Draft Letter of Offer. All of these factors may result in an increase in the amount of our receivables and short-term borrowings and the continued increase in working capital requirements may have an adverse effect on our financial condition and results of operations.

9. ***Our customers' requirements to locate our manufacturing plants in close proximity to their facilities may require capital expenditure and we may not be able to manage our manufacturing plants at various locations effectively.***

We have three (3) manufacturing units out of which our Unit I and Unit II are situated in Maharashtra at Tarapur MIDC and Unit III is situated at Khalapur. Our Unit I and Unit II are situated in the industrial belt of Boisar which is a manufacturing hub for various industries like chemicals, agrochemicals, pharmaceuticals, lubricants, food, edible oil, etc. Proximity to these industries enables easy accessibility and delivery of our products to these industries in the Tarapur-Boisar industrial region. In addition to this industrial belt, we are close to the Maharashtra-Gujarat border where there are several industrial zones like Vapi, Sarigam and Umbergaon which are manufacturing hubs for various industries. Since we are a B2B supplier of products, being close to our end-user market provides various advantages including lower freight costs and improved customer relationships. Our Unit III is situated between Mumbai and Pune at Khapoli near the Mumbai-Pune Expressway and enables our Company to supply our products to the industrial zones in this region like TTC Industrial Area, Turbhe, Mahape, Taloja and Pune.

However, we may be required by our customers to establish manufacturing plants in close proximity to their facilities may require substantial capital expenditure to enable us service our customer. If we are not in a position to undertake such capital expenditure, we may lose the business of our customer to a competitor who is willing to establish a unit near the customers manufacturing facilities. Further, even if we establish a manufacturing facility at the location of the customer, we may not be able to manage our manufacturing unit at these locations effectively, which may have an adverse effect on our business growth and prospects, results of operations, cash flows and financial condition.

10. ***Our manufacturing units are situated in Maharashtra at Tarapur MIDC and Khalapur and our operations may be affected by various factors associated with the region where we operate.***

Our manufacturing units are located at Tarapur MIDC and Khalapur in Maharashtra and we also sell our products to companies having manufacturing units in and around Maharashtra. This concentration of our business in western India, subjects us to various risks, including but not limited to the following risks:

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

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

11. ***We may not be able to adequately protect or continue to use our intellectual property. The reputation of our brand “Mitsu” may be diluted if low quality counterfeit products under our brand name are sold in our markets.***

We have design registration and patent for head and foot bows for hospital bed with inbuilt cardiopulmonary resuscitation board (CPR) profile. We have also registered Eight (8) designs for hospital bed parts for head bow and foot bow, side railings, head bow with a CPR board. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights such as patent and design registration. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run. Certain proprietary knowledge may be leaked, either inadvertently or wilfully. Our failure to register or protect our intellectual property rights may undermine our efforts to protect relevant intellectual property prove to be inadequate, the value attached to our brand and proprietary property could deteriorate, which could have a material adverse effect on our business growth and prospects, financial condition, results of operations, and cash flows. If any of our confidential or proprietary information or technical knowledge, were to be disclosed or misappropriated, or if a competitor independently developed any such information, our competitive position could be harmed. Moreover, even if the applications are approved, third parties may seek to oppose or otherwise challenge these registrations and assert intellectual property claims against us, particularly as we expand our business and product portfolio. For further details, please see “*Our Business – Intellectual Property” at page 99*.

Although, there have been no instances of usage of “ ” or similar trade names by third parties, there can be no assurance that we will not encounter such use of our brand name by third parties in the future which may lead to confusion among end customers. Any adverse experience of end customers with those parties using similar trade names, as well as any consequent negative publicity or perceptions perceived to be associated with us, may adversely affect our reputation and brand and business prospects.

We rely on protections available under Indian law, which may not be adequate to prevent unauthorised use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may infringe on our rights, which may have an adverse effect on our business growth and prospects, results of operations, cash flows and financial condition.

12. ***We have certain contingent liabilities that have not been provided for in our Restated Financial Statements, which if realised, could adversely affect our financial condition.***

Our contingent liabilities as at March 31, 2023 as per our Restated Financial Statements were as follows:

(₹ lakhs)

Particulars	Amount
Contingent Liabilities (A)	
Income Tax and Sales Tax Disputes	25.81
LC/ Bills under LC	**2451.69**
Bank Guarantee	302.49
Sub-total (A)	**2779.99**
Capital Commitment Towards (B)	
Property, plant and equipment (contracts remaining to be executed on capital account not provided for (net of advances)	490.74
Total (A+B)	**3270.73**

We cannot assure you that these contingent liabilities will not become established as liabilities. In the event any of these contingent liabilities become established as liabilities, it may have an adverse effect on our financial condition and results of operations.

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

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

(₹ in lakhs)

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/ Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation	Aggregate amount involved*
1.	**Company**						
	By the Company	Nil	Nil	Nil	Nil	Nil	Nil
	Against the Company	Nil	2	Nil	Nil	Nil	25.81
2.	**Subsidiary**						
	By the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
	Against the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
3.	**Directors**						
	By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
	Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
4.	**Promoters**						
	By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil
	Against the Promoter	Nil	Nil	Nil	Nil	Nil	Nil

**Not quantifiable*

Orders passed in such proceedings adverse to our interests may affect our reputation and standing and may have a material adverse effect on our business, results of operations and financial condition. For further details, please see "*Outstanding Litigation and Material Developments*" beginning on page 189 of this Draft Letter of Offer.

14. ***Developments in the competitive environment in the plastic and plastic products industry, such as consolidation among our competitors, could have a material adverse effect on our competitive position and hence our business, financial condition, results of operations or prospects.***

We believe that the key competitive factors affecting our business include product quality, capacity creation and utilization, workforce skill and productivity, operating costs, pricing power with our buyers, access to funding, the degree of regulation and access to a regular supply of raw materials. We cannot assure prospective investors that we will be able to compete effectively against our current or emerging competitors with respect to each of these key competitive factors. In the past, there have been instances of consolidation among our competitors. Competition from global and domestic plastic and plastic products producers with expanded production capacities and new market entrants could result in significant price competition, declining margins and a reduction in revenue. For example, these companies may be able to negotiate preferential prices for certain products or receive discounted prices for bulk purchases of certain raw materials that may not be available to us. For further details, please see "*Industry Overview*" beginning on page 66.

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

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

Polymer and master batches are some of raw materials used by us for manufacturing our products. Polymer is a derivative of crude oil and we therefore rely on OMCs for its supply. Our top five (5) suppliers contributed 71.28% and 78.82%, of the total purchases for Fiscals 2023and 2022 respectively. Our practice has been to place orders considering the demand-supply position which is also an industry practice. As a result, our suppliers can terminate their relationships with us due to a change in preference or any other reason on immediate basis, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in the supply of raw materials. Our suppliers are under no obligation to accept our orders and may also cancel, reduce or delay orders. The orders placed by us are dependent on factors such as demand for our Company's products, customer's inventory management, amongst others. Our suppliers in turn are also dependent on factors such as fluctuation in demand, supplier's inventory management and pricing amongst others.

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

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

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

17. ***We do not own manufacturing units and some of our warehouses. Any revocation or adverse changes in the terms of the lease and leave and license may have an adverse effect on our business, prospects, results of operations and financial condition.***

We have entered into lease agreements with MIDC for our manufacturing units situated at Tarapur. We have also entered into a leave and license agreement in respect to some of our warehouses to store our products. Though our lease agreements with MIDC are on a long-term basis and are subject to us complying with its terms and conditions, the leave and licenses arrangements have very limited validity. If the owner of the premises, revokes the leave and license arrangements or impose terms and conditions that are unfavorable to us, we may suffer a disruption in our operations or have to pay increased rent, which could have a material adverse effect on our business, prospects, results of operations and financial condition.

For further details, see the section titled "*Our Business — Immovable Property*" on page 99.

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

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

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

Plastics products being a global industry, we face competition from various domestic manufacturers and traders. Competition emerges from organised as well as unorganised players in the plastic product industry. The organised players in the industry compete with each other by providing high quality, consistent and time bound products, customization and innovation. We have a number of competitors offering products similar to us. We ensure the product quality, timely delivery, product innovation, customization in products which helps us to maintain strong relationship with our customers which in turn provides edge over our competitors. We intend to continue competing vigorously to increase our market reach and sales volumes to manage our growth in an optimal way. Certain of our competitors may have better access to financial resources, technology, research and development capability, market reach and operations in different geographies and diversified product portfolios, which may allow them to better, respond to market trends. Accordingly, we may not be able to compete effectively with our competitors across our product portfolio, which may have an adverse impact on our business, financial condition, results of operations and future prospects. For further details, please see "*Our Business - Competition*" on page 98

20. ***Any ban on polymer based packaging by the Government of India may affect our business.***

Considering environment considerations and international commitments, the Indian government and industry are increasingly considering changes in packaging norms for various products and a ban has been imposed on plastic bags, disposable plastic spoons, forks, cups, glasses, containers and PET bottles. The Central Pollution Control Board has undertaken comprehensive measures to give effect to India's commitment to ban identified single use plastic items by June 30, 2022 by including some more items in this list such as plastic straws. Though none of our products have been affected by these changes, there can be no assurances of any such ban affecting any of our products in the industrial packaging vertical. If any of our products are affected by any such ban, our business growth, operations and financials maybe adversely affected. For further details, please see "*Industry Overview*" beginning on page 66.

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

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

For further details, see the section titled "*Our Business — Insurance*" on page 98.

22. ***Plastic products manufacturing is a labour intensive industry, hence we may face labour disruptions and other planned and unplanned outages that could interfere or temporarily disrupt our operations.***

Our Company's activities are labour intensive. Strikes and other labour action may have an adverse impact on our operations, though we have not experienced any such labour disruption in the past. We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future. Any such event could disrupt our operations either temporarily or for a significant period of time, resulting in increased wages and other costs leading to a material adverse effect on our business, results of operations or financial condition. For further details, please see "*Our Business – Manpower"* on page 97 of this Draft Letter of Offer.

23. ***Our business is dependent on our manufacturing units which are strategically located in Maharashtra. Any shutdown of operations of our manufacturing units may have an adverse effect on our business and results of operations.***

Our manufacturing Units use blow molding and injection molding technologies to manufacture caps, lugs, handles, rings, dry powder inhalers, capsule inhalers, plastic construction blocks, bungs and plastic rods industrial packing products, hospital bed panels and parts, automotive parts and other polymer based furniture like chair parts. These manufacturing units are subject to the normal risks of industrial production, including natural disasters, directives from government agencies and power interruptions. For further details, please see "*Our Business — Manufacturing Units*" on page 85. We have in the past shutdown units at Rudrapur, in the union territory of Jammu & Kashmir and another unit at Vasai, Maharashtra due to commercial & viability concerns and we cannot assure you that we will not go through another closure or shutdown of manufacturing units in the future.

Any extended power supply interruption will result in reduced production at the affected facility. We depend on public/ state power supply utilities for the supply of power to our manufacturing units. Further, we have installed DG Sets as standby arrangement in all our manufacturing units, which is used in case of need/shortage or requirement of additional power. For further details, please see "*Our Business — Power*" on page 96. Any shortage or interruption in the supply of electricity may adversely affect our operations and increase our production costs. This could lead to delays in delivery of our products or non-delivery, resulting in loss of revenue and damage to our reputation or customer relationships. Our manufacturing units use complex equipment and machinery, and the breakdown or failure of equipment or machinery may result in us having to make repairs or procure replacements which may require considerable time and expense and as a result, our results of operations and financial condition could be adversely affected.

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

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

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

Therefore, there could be a significant difference in the installed capacity and the production of our products due to the variety of products that we manufacture. Certain products require lesser process time whereas certain products require more process time in the same manufacturing set-out that we have installed.

Therefore, the information provided in this Draft Letter of Offer on installed capacities and the data on actual production may differ significantly.

Further, the installed capacity of manufacturing units is the maximum productive capacity according to the manufacturers' specification of machines / equipment whereas, our licensed capacity is the approved production capacity of our manufacturing units by pollution control authorities. Our utilised capacity signifies the volume of production achieved in relation to installed capacity and licenced capacity whichever is less. The utilized capacity for our manufacturing units for the FY 2023 and 2022 was 67.38% and 63.97% respectively.

If we are unable to utilise optimum level of our installed capacity of our manufacturing units in the future this could affect our cost and profitability and thereby adversely affect the financial condition of our Company. For further details of our production and capacity utilization, see, "*Our Business - Capacity and Capacity Utilization*" on page 96.

Any under utilization of our manufacturing units could adversely affect our business, results of operations, financial condition and cash flows.

25. ***Our Company is dependent on third party transportation providers for the supply of raw materials and delivery of our products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations*.**

In addition to our own fleet of nine (9) commercial vehicles, we also use third party transportation providers for the supply of our raw materials and delivery of our products to our customers. Though, our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on the supplies from our suppliers and deliveries to our customers. These transportation facilities may not be adequate to support our existing and future operations. In addition, raw materials and products maybe lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of raw materials and products which may also affect our business and results of operation. An increase in the freight costs or unavailability of freight for transportation may have an adverse effect on our business and results of operations.

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

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

Our operations are subject to extensive government regulations and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business. While we have not obtained certain approvals required for our operations viz. Fire NOC for Unit I and II. For details of approvals relating to our business and operations, please see "*Government and Other Approvals*" on page 193. Further, we may need to apply for more approvals, including the renewal of approvals which may expire from time to time, and approvals in the ordinary course of business. Any inability to renew these approvals may have an adverse effect on our operations. We cannot assure you that such approvals will be issued or granted to us, or at all. If we fail to obtain or retain any of these approvals or licenses or renewals thereof, in a timely manner or at all, our business may be adversely affected.

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

27. ***Our business and profitability will suffer if we fail to anticipate and develop new value added products and enhance existing products in order to keep pace with rapid changes in customer preferences and the industry on which we focus.***

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

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

We utilize an enterprise resource planning solution, SAP, which assists us with various business functions including sales, distribution, materials management, warehouse management, production planning, quality management, finance and controlling and human resources across all our offices and manufacturing units. Our SAP system is under annual maintenance contract for providing regular IT support and also ensures regular updates resulting in smooth running of the software. Although we carry out periodic security checks, these systems may be potentially vulnerable to data security breaches, whether by employees or others, which may result in unauthorized persons getting access to sensitive data. Though there have been no instances of security breaches in the past, inability to prevent such data security breaches in future could lead to the loss of trade secrets and the data related to our products and other proprietary information could be compromised. These systems are also susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. Effective response to such disruptions or malfunctions will require effort and diligence on the part of our third-party distribution partners and employees to avoid any adverse effect to our information technology systems.

29. ***Industry information included in this Draft Letter of Offer has been derived from the Company Commissioned Marketysers Report.***

This Draft Letter of Offer includes information from the updated Company Commissioned Marketysers report titled '*India Injection Molded and Blow Molded Plastics Market*' dated July 5, 2022. Marketysers Global Consulting LLP has advised that, while it has taken due care and caution in preparing its report based on public information and industry and statistical data information obtained from sources which it considers reliable, it does not guarantee the adequacy or completeness of such information and is not liable for any loss or damage suffered because of reliance on the information contained in the report. The Company Commissioned Marketysers Report highlights certain industry and market data relating to our Company and our Competitors. Such data is subject to many assumptions. Further, such assumptions may change based on various factors. The assumptions of Company Commissioned Marketysers Report has been obtained from sources generally believed to be reliable, but their completeness and underlying assumptions are not guaranteed. Prospective investors are advised not to rely unduly on the Company Commissioned Marketysers Report when making their investment decisions.

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

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

For further details, please see "*Related Party Transactions" under section titled "Restated Financial Statement*" beginning on page 115.

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

We have entered into agreements for short term and long-term borrowings with certain banks and financial institutions. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as to obtain either the prior written consent of such financial institutions or require us to give prior written intimation to such lenders, prior to, amongst other circumstances, prepayment of the outstanding principal amounts of the borrowing facilities availed by our Company; any amalgamation, demerger, merger, acquisition, corporate or debt restructuring; any change in the constitution, control, ownership, shareholding pattern, capital structure, profit sharing and/or management of our Company; sell, assign, mortgage, or otherwise dispose off any of the fixed assets charged to the lender; declaration or payment of dividend; pay any commission to our Promoters, Directors, managers, or other persons for furnishing guarantees, counter guarantees or indemnities or for undertaking any other liability in connection with any financial assistance obtained for or by our Company or in connection with any other obligation undertaken for or by our Company for the purpose of project; issue of personal guarantee by our Promoters; setting up any new subsidiary or permit any company to become our subsidiary; revaluation of any of assets of our Company; invest by way of share capital or lend funds or place deposits with any other entity; and carry on any general trading activity other than products of our Company. Our ability to execute business plans, including our ability to obtain additional financing on terms and conditions acceptable to us, could be negatively impacted as a result of these restrictions and limitations. In the event of breach of a restrictive covenant, our lender could deem us to be in default and seek early repayment of loans. An event of default would also affect our ability to raise new funds or renew borrowings as needed for the smooth conduct of our operations and pursue our growth initiatives. Although we have received consent from our lender for the Issue, we cannot assure you that we will be able to receive such consents in future for other growth plans.

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

Our Company has availed loans and facilities in the ordinary course of its business for inter alia meeting working capital, capital expenditure and other business requirements. Our Promoters have given personal guarantees in relation to certain of our loans. For further details, please see "*Our Promoters and Promoter Group*" on page 110. Our Promoters and Directors may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the guarantees provided by our Promoters may be invoked, which could negatively impact the reputation and net worth of our Promoters and Directors. In addition, our Promoters may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. Furthermore, in the event that our Promoters withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

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

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

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

After the completion of this Issue, our Promoters and Promoter Group will continue to hold significant shareholding in our Company. As a result, our Promoters and Promoter Group will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoters and Promoter Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoter and Promoter Group will act in our interest while exercising their rights in such entities, which may in turn materially and adversely affect our business and results of operations. We cannot assure you that our Promoters and Promoter Group will act to resolve any conflicts of interest in our favour. If our Promoters and Promoter Group sells a substantial number of the Equity Shares in the public market, or if there is a perception that such sale or distribution could occur, the market price of the Equity Shares could be adversely affected. No assurance can be given that such Equity Shares that are held by the Promoter will not be sold any time after the Issue, which could cause the price of the Equity Shares to decline. For further details, please see "*Capital Structure*" beginning on page 52.

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

The amount of our future dividend payments, if any, will depend upon factors that our Board deems relevant, including among others, our results of future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends. For further details of payment of dividend by our Company during last three Fiscals, please see "*Dividend Policy*" beginning on page 112.

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

Our operations are subject to accidents which are inherent to any manufacturing process such as risks of equipment failure, worker accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including accidents that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environment. Our operations are subject to various risks in the manufacturing industry. Accordingly, we maintain insurance policies for our manufacturing units, offices, buildings, plant and machinery, furniture, fixture and fittings and stocks due to fire and other perils. Further, we have also maintain a fire and burglary policy for our raw material stored at our manufacturing units and warehouses. We also maintain marine cargo insurance policy to insure consignments shipped by sea and to cover inland movement of all cargos by road or rail. We have also maintain insurance policies for our vehicles. Further, we have also maintained debtor insurance policy which provides protection from failure of our customers to pay their debts. We have also obtained director and officer liability insurance policies, group medical claim policy and accident insurance policy and employees compensation policy for our employees. As on March 31, 2023, we maintain an insurance coverage of ₹12,606.50 lakhs which is more than 100% of our total net tangible assets and inventories. Further, our insurance policies may not be sufficient to cover the economic loss that we may have to suffer due to an unfortunate incident. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, to the extent that we suffer loss or damage for events for which we are not insured or for which our insurance is inadequate or which exceeds our insurance coverage, the loss would have to be borne by us, and as a result, our results of operations and financial condition could be adversely affected.

For further details, see the section titled "*Our Business — Insurance*" on page 98.

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

Our funding requirements and the deployment of the proceeds of the Issue are purely based on our management's estimates and have not been appraised by any bank or financial institution. Our Company may have to revise such estimates from time to time on account of various factors such as our financial and market condition, business and strategy, which may not be within the control of our management. Our estimates may exceed the value and may require us to reschedule our expenditure which may have a bearing on our expected revenues and earnings. Further, the deployment of the funds towards the Objects of the Issue is entirely at the discretion of our management.

38. ***We may not be able to avail funding from banks or financial institution for our future working capital requirements. The failure to obtain such financing may adversely affect our ability to grow and our future profitability.***

Our working capital requirement for Fiscal 2024 is estimated at ₹ 8,296.89 lakhs. Further, an amount of ₹1,510.00 lakhs towards working capital requirement will be funded out of the Proceeds of the Issue which will be utilized during Fiscal 2024 towards our Company's working capital requirements and the balance would be arranged from our internal accruals and/or loan funds. Our Company cannot assure you that we will be able to raise such financing on acceptable terms in a timely manner or at all. Our failure to renew existing funding or to obtain financing on acceptable terms and in a timely manner could materially and adversely impact our planned capital expenditure, which, in turn, could materially and adversely affect our business, financial condition and results of operations.

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

We intend to use the Net Proceeds for various purposes, including but not limited to, (i) repayment / prepayment, in full or in part, of certain borrowings availed by our Company; (ii) working capital requirement; and (iii) general corporate purposes. Further, the Net Proceeds are intended to be utilized by our Company only and none of our Promoter, Directors, Key Managerial Personnel or members of our Promoter Group will receive any portion of the Issue proceeds. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. For further details, see the section titled "*Objects of the Issue*" on page 59.

40. **Some of our leave & license and unsecured borrowing agreements may have certain irregularities.**

Some of our leave & license and unsecured borrowing agreements may have one or more irregularities such as inadequate stamping and/or improper execution. In the event of any such irregularity, we may not be able to enforce our rights in case of a dispute, which may cause a material and adverse effect on our business. In the event of any dispute arising out of such unstamped or inadequately stamped agreements and / or unregistered leave & license agreements, we may not be able to effectively enforce our rights arising out of such agreements which may have a material and adverse impact on the business of our Company.

EXTERNAL RISKS

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

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

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

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

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

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

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

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

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

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

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

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

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

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

45. ***Significant differences exist between Ind AS and other accounting principles, such as IFRS and US GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows.***

Our financial statements included in this Draft Letter of Offer are prepared and presented in conformity with Ind AS, in each case restated in accordance with the requirements the SEBI ICDR Regulations. Ind AS differs from other accounting principles with which prospective investors may be familiar in other countries, such as IFRS and U.S. GAAP. As a result, the financial statements prepared under Ind AS for the period Financial Year 2023, and 2022, may not be comparable to our historical financial statements. Accordingly, the degree to which the Financial Statements included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Persons not familiar with Indian accounting practices should limit their reliance on the financial disclosures presented in this Draft Letter of Offer.

46. ***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, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

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

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

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

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

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

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

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

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

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

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

RISKS RELATING TO THE EQUITY SHARES AND RIGHTS EQUITY SHARES AND THE ISSUE

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

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

50. ***No market for the Rights Entitlements may develop and the price of the Rights Entitlements may be volatile***

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchanges during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements. Since the trading of the Rights Equity Shares will be on a separate segment compared to the Equity Shares on the floor of the Stock Exchanges, the trading of Rights Equity Shares may not track the trading of Equity Shares. The trading price of the Rights Entitlements may be subject to greater price fluctuations than that of the Equity Shares**.**

51. ***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 of an Indian company are generally taxable in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Capital gains arising from the sale of the Equity Shares may be partially or completely exempt from taxation in India in cases where such exemption is provided under a treaty between India and the country of which the seller is a 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 gains made upon the sale of the Equity Shares.

52. ***Investment in Rights Equity Shares is exposed to certain risks. From the Call Record Date for each Call prior to the final Call, the trading of the Rights Equity Shares would be suspended for an applicable period under the applicable law. Further, the Rights Equity Shares will not be traded with effect from the Call Record Date for the final call fixed for the determination of the Investors liable to pay Call Monies, as determined by our Board at its sole discretion, from time to time. The holders of the Rights Equity Shares will not be able to trade in these securities till they are credited to the holders' account as fully paid-up. Further, until the subsistence of Rights Equity Shares, we may not be able to undertake certain forms of equity capital raising.***

The Issue Price is ₹ [●] per Rights Equity Share. Investors will have to pay ₹ [●] per Rights Equity Shares which constitutes [●] % of the Issue Price on Application and the balance ₹ [●] per Rights Equity Shares which constitutes [●] % of the Issue Price on one or more subsequent Call(s), as determined by our Board at its sole discretion, from time to time. The Rights Equity Shares offered under this Issue will be listed under a separate ISIN. An active market for trading may not develop for the Rights Equity Shares. This may affect the liquidity of the Rights Equity Shares and restrict your ability to sell them. If our Company does not receive the Call Money as per the timelines stipulated in the Call notice, unless extended by our Board, the defaulting Rights Equity Shareholders will be liable to pay interest as may be fixed by our Board unless waived or our Company may forfeit the Application Money and any Call Money received for previous Calls made, in accordance with the Companies Act, 2013 and our Articles of Association. For details, see "*Terms of the Issue*" on page 198. Rights Equity Shareholders are only entitled to dividend in proportion to the amount paid up and the voting rights (exercisable on a poll) by investors shall also be proportional to such investor's share of the paid-up equity capital of our Company. If certain investors do not pay the full amount, we may not be able to raise the amount proposed under this Issue.

The ISIN representing partly paid-up Rights Equity Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call in respect of the partly paid-up Rights Equity Shares, such partly paid-up Rights Equity Shares would be converted into fully paid-up Equity Shares and shall be listed and identified under the existing ISIN for our fully paid-up Equity Shares. Our Company would fix a Call Record Date for the purpose of determining the list of allottees to whom the notice for the final Call would be sent. From the Call Record Date for each Call prior to the final Call, the trading of the Rights Equity Shares would be suspended for an applicable period under the applicable law. Further, with effect from the Call Record Date, trading in the partly paid-up Equity Shares for which final Call have been made, would be suspended prior to the Call Record Date, for such period as may be applicable under the rules and regulations. Furthermore, the holders of the partly paid-up Rights Equity Shares will not be able to trade in these shares until they are credited to the holders' account as fully paid-up Rights Equity Shares. Similarly, for an applicable period, from the Call Record Date for each Call, the trading of the Rights Equity Shares would be suspended under the applicable law.

Further, there is little history of trading of partly paid-up shares in India and therefore there could be less liquidity in this segment, which may cause the price of the Rights Equity Shares to fall and may limit ability of Investors to sell the Rights Equity Shares. There may also be a risk of the Rights Equity Shares not forming part of the index.

Further, until the subsistence of Rights Equity Shares, we cannot undertake further rights issues, further public offers or bonus issues. In terms of Regulations 62 and 104 of the SEBI ICDR Regulations, an issuer making a rights issue or further public offer is required to ensure that all its existing partly paid-up equity shares have either been fully paid-up or have been forfeited. Additionally, a bonus issue will not be permitted under law till the subsistence of partly paid-up equity shares in terms of Regulation 293 of the SEBI ICDR Regulations.

53. ***Non-receipt of complete Call Money(ies) may have an impact of a consequential shortfall in Net Proceeds***

The Calls shall be deemed to have been made at the time when the resolution authorizing such calls is passed at the meeting of our Board. The Calls may be revoked or postponed at the discretion of our Board, from time to time. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 14 days' notice for the payment of the Calls. Our Board may, from time to time at its discretion, extend the time fixed for the payments of the Calls. Our Company, at its sole discretion, may send reminders for the calls as it deems fit, and if it does not receive the Call Money(ies) as per the timelines stipulated, it would forfeit the Application Money. Non-receipt of complete Call Money(ies) and a consequential forfeiture of the Application Money may lead to a shortfall in the Net Proceeds, which may have to be met out of internal accruals and may impact the business and capital expenditure plans. For details, see "Objects of the Issue" on page 59.

54. ***Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For details, see "Objects of the Issue" on page 59.

55. ***We may, at any time in the future, make further issuances or sales of our Equity Shares, and this may significantly dilute your future shareholding and affect the trading price of our Equity Shares.***

Any future equity issuances by us, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences for us including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception that such issuance or sales of shares may occur, may lead to dilution of your shareholding, significantly affect the trading price of our Equity Shares and our ability to raise capital through an issue of our securities. There can be no assurance that such future issuance by us will be at a price equal to or more than the Issue Price. Further, there can be no assurance that we will not issue further shares or that the major shareholders will not dispose of, pledge or otherwise encumber their shares.

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

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

57. ***SEBI has recently, by way of SEBI Master Circular, streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars, and in this Draft Letter of Offer.***

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI Master Circular and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see "*Terms of the Issue*" on page 198 of this Draft Letter of Offer.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or suspended for debit or credit or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned / reversed / failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

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

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

We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

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

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

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

In accordance with Indian law and practice, after our Board or committee passes the resolution to allot the Equity Shares but prior to crediting such Equity Shares into the Depository Participant accounts of the investors, we are required to apply to the Stock Exchange for final approval for listing and trading of the Equity Shares. There could be a failure or delay in obtaining these approvals from the Stock Exchange, in turn could delay the listing of the Equity Shares on the Stock Exchange. There can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period. Any failure or delay in obtaining these approvals would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, may not be indicative of the prices at which the Equity Shares will trade in the future.

SECTION III – INTRODUCTION

THE ISSUE

The Issue has been authorized by way of a resolution passed by our Board of Directors on October 30, 2023 pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013. The terms and conditions of the Issue including the Record Date, Rights Entitlement, Issue Price, timing of the Issue and other related matters have been approved by a resolution passed by the Board of Directors of our Company at its meeting held on [●].

The following table summarises the present Issue in terms of this Draft Letter of Offer. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in "*Terms of the Issue*" on page 198 of this Draft Letter of Offer.:

Particulars	Details of Equity Shares
Rights Equity Shares being offered by our Company	[●] Equity shares issued on partly paid-up basis
Rights Entitlement	[•] Rights Equity Shares for every [•] fully paid-up Equity Shares held on the Record Date.
Fractional Entitlement	The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of One (1) Right Equity Share for every [•] Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored, hence the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [•] Equity Shares or is not in the multiple of [•] Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.
Record Date	[•]
Face Value per Rights Equity Shares	Rs. 10/- per Equity Share
Issue Price per Rights Equity Share	Rs. [•] per Rights Equity Share On Application, Investors will have to pay ₹ [•] per Rights Equity Share which constitutes [•]% of the Issue Price and the balance ₹ [•] per Rights Equity Share which constitutes [•]% of the Issue Price, will have to be paid, on one or more subsequent Call(s), as determined by our Board at its sole discretion, from time to time
Equity Shares outstanding prior to the Issue	1,20,72,600 Equity Shares
Issue Size	Issue of up to [•] Equity Shares of face value of Rs. 10

	each for cash at a price of Rs.[•](including a premium of Rs. [•] per Rights Equity Share) per Equity Share for an amount aggregating up to Rs. 4500 Lakhs
Voting Rights and Dividend	The Rights Equity Shares issued pursuant to the issue shall rank *pari passu* in all respects with the existing Equity Shares of our Company.
Equity Shares outstanding after the Issue	[•] Equity Shares
Terms of the Issue	Please refer to the chapter titled '***Terms of the Issue***' on page 198 of this Letter of Offer.
Use of Issue Proceeds	Please refer "***Objects of the Issue***" on page 59 of this Letter of Offer.
Security Codes for the Equity Shares	ISIN: INE317V01016 BSE: 540078
ISIN for Rights Entitlements	[•]
Terms of Payment	The full amount of the Issue Price is payable on Application.

Issue Schedule

The subscription will open upon the commencement of the working hours and will close upon the close of working hours on the dates mentioned below:

Event	Indicative Date
Issue Opening Date	[•]
Last Date for On Market Renunciation of Rights	[•]
Issue Closing Date	[•]

Terms of Payments

Amount Payable per Rights Equity Share	Face Value (₹)	Premium(₹)	Total (₹)
On Application	[•]	[•]	[•]
On Call (One or more) as determined by our Board at its sole discretion, from time to time	NA	NA	NA
Total	[•]	[•]	[•]

GENERAL INFORMATION

Our Company was originally incorporated as "Mitsu Chem Private Limited" on September 23, 1988 at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra. Thereafter, the name of our Company was changed to "Mitsu Chem Plast Private Limited", pursuant to a special resolution passed by the shareholders of our Company on May 11, 2016 and a fresh certificate of incorporation consequent to the change of name, was granted to our Company on May 25, 2016 by the Registrar of Companies, Mumbai, Maharashtra. Subsequently, our Company was converted into public limited company pursuant to special resolution passed by the shareholders of our Company in their meeting held on May 11, 2016 and the name of our Company was changed to "Mitsu Chem Plast Limited" and a fresh certificate of incorporation consequent upon conversion of Company to Public Limited dated June 8, 2016 was issued by Registrar of Companies, Mumbai, Maharashtra.

Registered Office of our Company

The address and certain other details of our Registered Office are as follows:

Mitsu Chem Plast Limited
329, Gala Complex, 3rd Floor,
Din Dayal Upadhyay Marg,
Mulund (West), Mumbai – 400 080,
Maharashtra, India
Website: https://www.mitsuchem.com/
Tel: +91 22 2592 0055

The address of Corporate Office of the Company is the same as that of Registered Office of the Company.

Company registration number and corporate identity number

The registration number and corporate identity number of our Company are as follow:

Company registration number: 048925
Corporate identity number: L25111MH1988PLC048925

Address of the Registrar of Companies

Our Company is registered with the ROC situated at the following address:

Registrar of Companies, Mumbai, Maharashtra
100, Everest,
Marine Drive,
Mumbai - 400 002,
Maharashtra, India.

Board of Directors

The following table sets out the details of our Board as on the date of this Letter of Offer:

Name	Designation	DIN	Address
Jagdish Dedhia	Chairman and Whole-time Director	01639945	B - 905/906, Jalaram Park, L.B.S. Marg, Near Sonapur Junction, Bhandup (West), Mumbai – 400 078, Maharashtra, India
Sanjay Dedhia	Joint Managing Director	01552883	2107, Monte Vista, Madan Mohan Malviya Road, Mulund (West), Mumbai – 400 080, Maharashtra, India
Manish Dedhia	Joint Managing Director & Chief Financial Officer	01552841	A-1501, Runwal Pride, LBS Road, Mulund (West), Mumbai- 400 080, Maharashtra, India
Dilip Gosar	Independent Director	07514842	1504, Neelkanth Heights, B. P. Cross Road, Mulund (West), Mumbai – 400 080,

Name	Designation	DIN	Address
			Maharashtra, India
Neha Huddar	Independent Director	00092245	1602, Satguru Sharan I, Chapekar Bandu Marg, Mulund (East), Mumbai - 400 081, Maharashtra, India
Hasmukh Dedhia	Independent Director	07510925	1205, Shree Yogeshwar CHS, R. B. Marg, Ghodapdeo Cross Lane, Mumbai - 400 033 Maharashtra, India

For further details of our Board of Directors, please see "*Our Management – Board of Directors*" on page 101.

Company Secretary and Compliance Officer

Ankita Bhanushali is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Ankita Bhanushali
Mitsu Chem Plast Limited
329, Gala Complex, 3rd Floor,
Din Dayal Upadhyay Marg,
Mulund (West), Mumbai – 400 080,
Maharashtra, India
Tel: +91 22 2592 0055
Email: investor@mitsuchem.com

Filing

The Draft Letter of Offer has been filed with BSE Limited for obtaining in-principle approval. As the issue size is less than Rs. 50 Crore (Rupees Fifty Crores), the draft letter of offer is not filed with SEBI. However, a copy of the Letter of Offer shall be filed with the SEBI for the purpose of their information and dissemination.

DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY:

Registrar to the Issue:

Bigshare Services Private Limited
Office No. S6-2, 6th Floor,
Pinnacle Business Park,
Next to Ahura Centre
Mahakali Caves Road,
Andheri (East), Mumbai – 400 093.
Maharashtra, India
Telephone: +91 22 6263 8200
Email: rightsissue@bigshareonline.com
Investor grievance email: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Suraj Gupta
SEBI Registration No.: INR000001385

Statutory Auditors of our Company:

M/s. Gokhale & Sathe, Chartered Accountants
304/308/309, Udyog Mandir No. 1,
7-C, Bhagoji Keer Marg, Mahim,
Mumbai - 400 016
Maharashtra, India
Email: tejas@gokhalesathe.in
Telephone: +91 22 4348 4242
Contact Person: Tejas Parikh

Firm registration number: 103264W
Peer review number: 012211

Bankers/ Lenders to our Company:

Kotak Mahindra Bank
12 BKC, 5th Floor,
Bandra Kurla Complex,
Mumbai – 400 051
Maharashtra, Mumbai
Telephone: +91 99203 70296
Contact Person: Nitin Mali
Email: nitin.mali@kotak.com
Website: www.kotak.com

Citi Bank NA
Citibank NA, 10th Floor,
First International Finance Center,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
Maharashtra, Mumbai
Telephone: +91 98335 18922
Contact Person: Mitesh Rathod
Email: mitesh.s.rathod@citi.com
Website: www.citibank.co.in

Banker(s) to the Issue:

Escrow Collection Bank(s)

[●]

Refund Bank(s)

[●]

Sponsor Bank

[●]

Syndicate Members

[●]

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes as updated from time to time, or at such other website as may be prescribed from time to time. Further, for a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries and updated from time to time, please refer to the above-mentioned link or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the respective websites of the Stock Exchanges (www.bseindia.com), as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and email address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and any such other websites as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?, and any such other websites as updated from time to time.

Monitoring Agency

Since the Issue size does not exceed ₹ 10,000 Lakhs, the appointment of a monitoring agency as per Regulation 82 of the SEBI Regulations is not required. However, the Board of Directors and Audit Committee of our Company, would be monitoring the utilisation of the proceeds of the Issue.

Appraising Entity

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

Credit Rating

As this is an Issue of Equity Shares, there is no credit rating required for the Issue.

Debenture Trustee

As this is an Issue of Equity Shares, the appointment of a debenture trustee is not required.

Issue Schedule:

Event	Indicative Date
Issue Opening Date	[•]
Last Date for On Market Renunciation of Rights	[•]
Issue Closing Date	[•]

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Draft Letter of Offer is set forth below:

(In ₹ except share data)

Sr. No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price*
A.	**AUTHORIZED SHARE CAPITAL#**		
	2,50,00,000 Equity Shares of face value of ₹ 10 each	25,00,00,000	-
B.	**ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE**		
	1,20,72,600 Equity Shares of face value of ₹ 10 each	12,07,26,000	-
C.	**PRESENT ISSUE IN TERMS OF THIS DRAFT LETTER OF OFFER***		
	Issue of up to [●] Equity Shares aggregating up to ₹ 4500 lakhs (1)	[●]	[●]
D.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE***		
	[●] Equity Shares of face value of ₹ 10 each	[●]	[●]
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue	15,14,000	
	After the Issue	[●]	

**Subject to finalisation of Basis of Allotment.*

(1) The Issue has been authorised by a resolution of our Board dated October 30, 2023.

1. **Notes to the Capital Structure**

(a) Equity Share Capital

The following table sets forth the history of the Equity Share capital of our Company.

Date of allotment	No. of Equity Shares allotted	Face value (₹)	Issue price (₹)	Nature of allotment	Form of consideration	Cumulative number of Equity Shares	Cumulative paid-up equity share capital (₹)
September 23, 1988	100	100	100	Initial subscription to the MOA(1)	Cash	100	10,000
December 15, 1988	900	100	100	Further Issue(2)	Cash	1,000	1,00,000
December 7, 1990	6,000	100	100	Further Issue(3)	Cash	7,000	7,00,000
May 10, 1995	1,500	100	100	Further Issue(4)	Cash	8,500	8,50,000
January 1, 1998	1,500	100	100	Further Issue(5)	Cash	10,000	10,00,000
July 22, 1999	5,500	100	100	Further Issue(6)	Cash	15,500	15,50,000
March 25, 2004	5,000	100	100	Further Issue(7)	Cash	20,500	20,50,000
November 14, 2006	41,000	100	Nil	Bonus Issue(8)	Other than Cash	61,500	61,50,000
March 15,	2,000	100	100	Further Issue(9)	Cash	63,500	63,50,000

Date of allotment	No. of Equity Shares allotted	Face value (₹)	Issue price (₹)	Nature of allotment	Form of consideration	Cumulative number of Equity Shares	Cumulative paid-up equity share capital (₹)
2007							
November 12, 2007	36,500	100	100	Further Issue[10]	Cash	1,00,000	1,00,00,000
February 11, 2008	16,000	100	500	Further Issue[11]	Cash	1,16,000	1,16,00,000
August 17, 2009	5,000	100	100	Further Issue[12]	Cash	1,21,000	1,21,00,000
March 18, 2013	20,000	100	100	Further Issue[13]	Cash	1,41,000	1,41,00,000
June 14, 2016	Our Company sub-divided each equity share of a face value of ₹ 100 each to an equity share of a face value of ₹ 10 each.					14,10,000	1,41,00,000
June 14, 2016	21,15,000	10	Nil	Bonus Issue[14]	Other than Cash	35,25,000	3,52,50,000
November 10, 2017	3,55,200	10	165	Preferential Issue[15]	Cash	38,80,200	3,88,02,000
July 10, 2018	1,44,000	10	165	Preferential Issue[16]	Cash	40,24,200	4,02,42,000
January 30, 2020	80,48,400	10	Nil	Bonus Issue[17]	Other than Cash	1,20,72,600	12,07,26,000

Notes:

(1) Allotment of 20 equity shares each to Sureshbhai D. Patel, Rameshbhai Patel, Dayalji M. Patel, Sitaramjibhai D. Patel, and Pradip K. Bhat as initial subscribers to the MoA.

(2) We are not able to ascertain the exact number of equity shares allotted to certain shareholders since the number of equity shares allotted were inadvertently recorded as 1,000 in the Form 2 filed with RoC instead 900.

(3) Allotment of 2,220 equity shares to Mavji Dedhia; 1,030 equity shares to Ratanshi Gogari; 930 equity shares to Hemant Gogari; 480 equity shares to Jagdish Dedhia; 350 equity shares each to Chetan Gogari and Vimalaben Dedhia; 250 equity shares to Jaya Dedhia; 240 equity shares to Charu Dedhia; 100 equity shares to Sanjay Dedhia, and 50 equity shares to Kala Dedhia.

(4) Allotment of 750 equity shares to Vimla Dedhia; 380 equity shares to Kala Dedhia; 250 equity shares to Mavji Dedhia and 120 equity shares to Sanjay Dedhia.

(5) Allotment of 550 equity shares to Sanjay Dedhia; 450 equity shares to Deena Dedhia; 300 equity shares to Javerben Chedda and 200 equity shares to Manish Dedhia.

(6) Allotment of 3,450 equity shares to Jagdish Dedhia; 1,300 equity shares to Lilavati Dedhia; 650 equity shares to Sanjay Dedhia and 100 equity shares to Liladhar Dedhia.

(7) Allotment of 1,880 equity shares to Mavji Dedhia; 1,950 equity shares to Manish Dedhia; 630 equity shares to Sanjay Dedhia; 340 equity shares to Liladhar Dedhia and 100 equity shares each to Jalpa Dedhia and Jigna Dedhia.

(8) Allotment of 41,000 equity Shares of face value of ₹ 100 each as bonus share in the ratio of 2:1 i.e. 2 equity shares for every 1 equity share held out of which 8,200 equity shares to Lilavati Dedhia; 8,000 equity shares to Manish Dedhia; 7,990 equity shares to Sanjay Dedhia; 7,940 equity shares to Jagdish Dedhia; 4,800 equity shares to Liladhar Dedhia; 3,400 equity shares to Vimalaben Dedhia; 200 equity shares each to Jalpa Dedhia and Jigna Dedhia and 260 equity shares to Ameeta Dedhia; 2 equity shares each to Sanjay Dedhia jointly with Ketsi Devji Rambhia & Kantilal Khetsi Rambhia, Sanjay Dedhia jointly Sarkarben Khetsi Rambhia & Narayanji Vallabhji Vador, Sanjay Dedhia jointly with Praveen Vallabhji Vador & Arvind Vishram Bhanushali, Sanjay Dedhia jointly with Shantilal Velji Gala & Bharat Visanji Maru and Sanjay Dedhia jointly with Javerben Rajvi Chedda & Devkaben Vishram Bhansali by way of capitalization of free reserves.

(9) Allotment of 500 equity shares each to Jagdish Dedhia, Liladhar Dedhia, Sanjay Dedhia and Manish Dedhia.

(10) Allotment of 12,200 equity shares each to Jagdish Dedhia and Liladhar Dedhia and 12,100 equity shares to Manish Dedhia.

(11) Allotment of 6,000 equity shares to Hansraj Maru; 3,400 equity shares to Indira Maru; 2,000 equity shares to Hemant Maru,1,800 equity shares to M/s. Hansraj Hemraj Maru HUF; 1,000 equity shares each to Hiranya Maru and Poonam Maru; 600 equity shares to M/s. Hemant Hansraj Maru HUF and 200 equity shares to Sakarben Maru.

(12) Allotment of 1,000 equity shares each to Jagdish Dedhia, Liladhar Dedhia, Sanjay Dedhia, Manish Dedhia and Lilavati Dedhia.

(13) Allotment of 4,000 equity shares each to Ameeta Dedhia, Jigna Dedhia, Jalpa Dedhia and Lilavati Dedhia; 3,000 equity shares to Liladhar Dedhia, and 1,000 equity shares to Vimalaben Dedhia.

(14) Allottment 21,15,000 equity Shares of face value of ₹ 10 each as bonus share in the ratio of 3:2 i.e. 3 new equity shares for every 2 equity share held out of which 4,23,000 equity shares each to Vimalaben Dedhia and Lilavati Dedhia; 3,10,500 equity shares each to Manish Dedhia and Sanjay Dedhia; 3,09,150 equity shares to Jagdish Dedhia; 1,13,850 equity shares to Ameeta Dedhia and 1,12,500 equity shares each to Jalpa Dedhia and Jigna Dedhia by way of capitalization of security premium/ free reserves.

(15) Allotment of 28,800 equity shares to Nirav Dholakiya; 21,600 equity shares each to Saryu Nagda and Rajula Nagda;18,000 equity shares each to Rajesh Nagda and Jigar Nagda; 15,600 equity shares each to Naresh Shah and M/s. Sanket Chheda HUF; 14,400 equity shares each to M/s. Monil Chheda HUF and Nandita Shah; 12,000 equity shares each to Varun Nagda, Vallari Nagda, Jayesh Nagda and Hansraj Maru; 10,800 equity shares each to Hemant Maru and Rajni Shah; 9,600 equity shares each to Hitesh Ajmera, Pratit Shah and Vijay Haria; 8,400 equity shares each to Jaisukh Sanghvi and Rahul Sanghvi; 7,200 equity shares each to M/s. Jaisukh Sanghvi HUF, Vijay Nisar, Bharat Nisar and Pooja Sanghvi; 4,800 equity shares each to Monil Chheda, Sanjay Solanki, Renu Solanki, Amritlal Solanki and Kamlesh Solanki; 3,600 equity shares each to M/s. Nalin Chheda HUF, Sanket Chheda, Deepal Nagda and Vrushti Nagda and 2,400 equity shares each to Praful Haria and Kaushal Haria.

(16) Allotment of 28,800 equity shares each to Vimlaben Dedhia and Lilavati Dedhia, 20,400 equity shares each to Jagdish Dedhia, Sanjay Dedhia and Manish Dedhia and 8,400 equity shares each to Ameeta Dedhia, Jigna Dedhia and Jalpa Dedhia consequent upon conversion of share warrants.

(17) Allotment of 80,48,400 equity Shares of face value of ₹ 10 each as bonus share in the ratio of 2:1 i.e. 2 new equity shares for every 1 equity share held to all the existing shareholders of our Company as on record date by way of capitalization of security premium account.

(b) Preference Share Capital

The following table sets forth the history of the 10% Redeemable preference share capital of our Company.

Date of allotment	No. of preference shares allotted	Face value (₹)	Issue/ redemption price (₹)	Nature of allotment	Form of consideration	Cumulative number of preference shares	Cumulative paid-up preference share capital (₹)
February 11, 2008	75,000	100	100	Issue of preference shares(1)	Cash	75,000	75,00,000
March 18, 2013	80,000	100	100	Further Issue(2)	Cash	1,55,000	1,55,00,000
April 27, 2016	(1,55,000)	100	100	Redemption(3)	Cash	Nil	Nil

Notes:

(1) Allotment of 40,000 preference shares to Hansraj Maru; 11,000 preference shares to Indira Maru; 7,500 preference shares to M/s. Hemant Hansraj Maru HUF; 6,000 preference shares to Hiranya Maru; 4,000

preference shares to Sakarben Maru; 3,000 preference shares each to Poonam Maru and Hemant Maru, and 500 preference shares to M/s. Hansraj Maru HUF.

(2) Allotment of 55,000 preference shares to Hemant Maru and 25,000 preference shares to Hansraj Maru.

(3) Redemption of 1,55,000 preference shares from existing shareholders.

2. **Issue of Equity Shares for consideration other than cash or out of revaluation reserves**

Except as set out below, our Company has not issued Equity Shares through bonus issue or for consideration other than cash.

Date of allotment	Reason for Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Benefits accrued to our Company
November 14, 2006	Bonus Issue(1)	41,000	100	Nil	N.A.
June 14, 2016	Bonus Issue(2)	21,15,000	10	Nil	N.A.
January 30, 2020	Bonus Issue(3)	80,48,400	10	Nil	N.A.

Notes:

(1) Allotment of 41,000 equity Shares of face value of ₹ 100 each as bonus share in the ratio of 2:1 i.e. 2 equity shares for every 1 equity share held out of which 8,200 equity shares to Lilavati Dedhia; 8,000 equity shares to Manish Dedhia; 7,990 equity shares to Sanjay Dedhia; 7,940 equity shares to Jagdish Dedhia; 4,800 equity shares to Liladhar Dedhia; 3,400 equity shares to Vimalaben Dedhia; 200 equity shares each to Jalpa Dedhia and Jigna Dedhia and 260 equity shares to Ameeta Dedhia; 2 equity shares each to Sanjay Dedhia jointly with Ketsi Devji Rambhia & Kantilal Khetsi Rambhia, Sanjay Dedhia jointly Sarkarben Khetsi Rambhia & Narayanji Vallabhji Vador, Sanjay Dedhia jointly with Praveen Vallabhji Vador & Arvind Vishram Bhanushali, Sanjay Dedhia jointly with Shantilal Velji Gala & Bharat Visanji Maru and Sanjay Dedhia jointly with Javerben Rajvi Chedda & Devkaben Vishram Bhansali by way of capitalization of free reserves.

(2) Allotment of 21,15,000 equity Shares of face value of ₹ 10 each as bonus share in the ratio of 3:2 i.e. 3 new equity shares for every 2 equity shares held out of which 4,23,000 equity shares each to Vimalaben Dedhia and Lilavati Dedhia; 3,10,500 equity shares each to Manish Dedhia and Sanjay Dedhia; 3,09,150 equity shares to Jagdish Dedhia; 1,13,850 equity shares to Ameeta Dedhia and 1,12,500 equity shares each to Jalpa Dedhia and Jigna Dedhia by way of capitalization of security premium/ free reserves.

(3) Allotment of 80,48,400 equity Shares of face value of ₹ 10 each as bonus share in the ratio of 2:1 i.e. 2 new equity shares for every 1 equity share held to all the existing shareholders of our Company by way of capitalization of security premium account.

Further, our Company has not issued any Equity Shares out of revaluation reserves since incorporation.

a) Our Company has not issued or allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 391 to 394 of the erstwhile Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013, as applicable.

b) Our Company has not issued any Equity Shares during the period of one year preceding the date of this Draft Letter of Offer.

3. **Shareholding Pattern of our Company**

Shareholding pattern of our Company as prescribed under Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and last submitted to the stock at the **end of quarter ended September 30, 2023** to stock exchanges is available on below link:

https://www.bseindia.com/stock-share-price/mitsu-chem-plast-ltd/mitsu/540078/shareholding-pattern/

4. **Other details of Shareholding of our Company**

The statement showing shareholders holding more than 1% of the total number of Equity Shares for the period ended September 30, 2023 is as follows:

https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=540078&qtrid=119.00&QtrName=September%202023

5. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Letter of Offer.

6. **Details of acquisition of specified securities in the last One years**

None of our Promoter and Promoter Group have acquired any Equity Shares in the last one year immediately preceding the date of filing of this Draft Letter of Offer with BSE.

7. **Details of shareholding of our Promoters and members of our Promoter Group**

The statement showing holding of Equity Shares of persons belonging to the category "Promoter and Promoter Group" including the details of lock-in, pledge of and encumbrance thereon, for the period ended September 30, 2023 can be accessed on the website of the BSE at:

https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=540078&qtrid=119.00&QtrName=September%202023

a. Build-up of the equity shareholding of our Promoters in our Company

The build-up of the equity shareholding of our Promoters in our Company preceding five (5) years from the date of this Draft Letter of Offer, is set forth in the table below:

Date of Allotment / Transfer	**Nature of acquisition (Allotment/ Acquired/ transfer)**	**Number of Equity Shares**	**Face value per Equity Share (₹)**	**Issue price/ Acquisition Price/ Transfer price per Equity Share (₹)**	**Nature of Consideration**	**Percentage of the pre- Issue capital (%)**	**Percentage of the post- Issue capital (%)**
Jagdish Dedhia							
As on April 1, 2017		3,68,963				3.06	[●]
July 10, 2018	Conversion of share warrants into Equity Shares	20,400	10.00	165.00	Cash	0.17	[●]
August 16, 2019	Transfer from Ameeta Dedhia	1	10.00	140.00	Cash	Negligible	[●]
January 30, 2020	Bonus Issue	7,78,728	10.00	Nil	Other than Cash	6.45	[●]
February 25, 2021	Open Market Acquisition	42,000	10.00	104.00	Cash	0.35	[●]
March 23, 2021	Open Market Acquisition	13,699	10.00	105.25	Cash	0.11	[●]
March 23, 2021	Open Market Acquisition	219	10.00	107.00	Cash	Negligible	[●]
March 23, 2021	Open Market Acquisition	82	10.00	108.00	Cash	Negligible	[●]
March 25,	Open Market	43,000	10.00	105.70	Cash	0.35	[●]

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face value per Equity Share (₹)	Issue price/ Acquisition Price/ Transfer price per Equity Share (₹)	Nature of Consideration	Percentage of the pre- Issue capital (%)	Percentage of the post- Issue capital (%)
2021	Acquisition						
Sub Total (A)		**12,67,092**				**10.50**	[●]
Sanjay Dedhia							
As on April 1, 2017		3,70,574				3.07	[●]
July 10, 2018	Conversion of share warrants into Equity Shares	20,400	10.00	165.00	Cash	0.17	[●]
January 30, 2020	Bonus Issue	7,81,948	10.00	Nil	Other than Cash	6.48	[●]
February 24, 2021	Open Market Acquisition	42,000	10.00	104.00	Cash	0.34	[●]
March 22, 2021	Open Market Acquisition	13,900	10.00	105.50	Cash	0.12	[●]
March 22, 2021	Open Market Acquisition	100	10.00	109.90	Cash	Negligible	[●]
March 23, 2021	Open Market Acquisition	43,000	10.00	105.25	Cash	0.36	[●]
Sub Total (B)		**12,71,922**				**10.54**	[●]
Manish Dedhia							
As on April 1, 2017		3,70,574				3.07	[●]
July 10, 2018	Conversion of share warrants into Equity Shares	20,400	10.00	165.00	Cash	0.17	[●]
January 7, 2020	Transfer from Jalpa Dedhia as a gift	1,34,266	10.00	Nil	N.A.	1.11	[●]
January 30, 2020	Bonus Issue	10,50,480	10.00	Nil	Other than Cash	8.70	[●]
February 24, 2021	Open Market Acquisition	42,000	10.00	104.00	Cash	0.35	[●]
March 25, 2021	Open Market Acquisition	26,805	10.00	105.70	Cash	0.22	[●]
March 25, 2021	Open Market Acquisition	30,000	10.00	105.75	Cash	0.25	[●]
March 25, 2021	Open Market Acquisition	85	10.00	107.00	Cash	Negligible	[●]
March 25, 2021	Open Market Acquisition	110	10.00	109.75	Cash	Negligible	[●]
Sub Total (C)		**16,74,720**				13.87	[●]
Total (A+ B+C)		**42,13,734**				**34.91**	[●]

8. **Statement showing shareholding pattern of the public shareholder:**

The statement showing shareholding pattern of public shareholders for the period ended September 30, 2023 is as follows:

https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=540078&qtrid=119.00&QtrName

=September%202023

9. The ex-rights price of the Equity Shares as per Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ [●].

10. There are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer.

11. Except as disclosed in "*Our Management*" on page 101, none of our Directors or KMPs holds any Equity Shares in our Company.

12. Our Company will ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

13. The relevant regulations in respect of all preferential allotments and bonus issues undertaken by our Company in the ten years preceding the date of the date of this Draft Letter of Offer, have been complied with. Further, we have not undertaken any qualified institutions placements in the ten years preceding the date of the date of this Draft Letter of Offer

OBJECTS OF THE ISSUE

The Issue comprises of issue of [●] Equity Shares, aggregating up to ₹ 4500 Lakhs by our Company.

Objects of the Issue

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

1. Repayment/pre-payment, in full or part, of certain borrowings availed by our Company;
2. Funding working capital requirements of our Company; and
3. General corporate purposes.

(collectively, referred to as "**Objects**")

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us (i) to undertake our existing business activities and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

Net Proceeds

The details of the Net Proceeds from the Issue are summarized in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1	Gross Proceeds from the Issue	[●]
2	Less: Issue Related Expenses	[●]
3	**Net Proceeds of the Issue ("Net Proceeds")***	**[●]**

**Will be incorporated after finalization of the Issue Price and updated in the Letter of Offer at the time of filing with the RoC.*

Requirement of funds, schedule of implementation and utilization of Net Proceeds

The Net Proceeds are proposed to be utilised in accordance with the details provided below:

(₹ in lakhs)

Particulars	Amount
Repayment or pre-payment, in full or part, of certain borrowings availed by our Company	2050
Funding working capital requirements of our Company	1510
General corporate purposes*	[●]
Total	**[●]**

**To be finalised upon determination of the Issue Price and updated in the Letter of Offer prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Net Proceeds of the Issue.*

Proposed schedule of implementation and deployment of Net Proceeds

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

(₹ in lakhs)

Particulars	Total Estimated Cost	Amount to be funded from Net Proceeds	Estimated schedule of deployment of Net Proceeds in Fiscal 2024
Repayment/pre-payment, in full or part, of certain borrowings availed by our Company	2050	2050	2050
Funding the working capital requirements of our Company	1510	1510	1510
General corporate purposes*	[●]	[●]	[●]
Total	**[●]**	**[●]**	**[●]**

**To be finalised upon determination of the Issue Price and updated in the Letter of Offer prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Net Proceeds of the Issue.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, quotations from suppliers, and other commercial and technical factors. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the equipment and other external factors including changes in the price of the equipment due to variation in commodity prices which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, subject to compliance with applicable law. For further details, please see "*Risk Factors – The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled "Objects of the Issue". Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings"*. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects of the Issue, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Fiscals towards the aforementioned objects.

Means of Finance

The fund requirements of the Objects detailed above are intended to be funded from the proceeds of the Rights Issue. Hence, no amount is required to be raised through means other than the Issue Proceeds. Accordingly, the requirements under Regulation 62(1)(c) of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals) are not applicable.

Details of the Objects of the Issue:

1. Repayment/ pre-payment, in full or part, of certain borrowings availed by the Company

Our Company has, in the ordinary course of business, entered into financing arrangements with various banks, financial institutions, and other entities. The borrowing arrangements entered into by our Company comprise, among others, working capital facilities, term loans and unsecured loans. As of Sept 30, 2023, our Company had unsecured borrowing amounting to ₹ 2,178.37lakhs. The Company proposes to utilize an amount of ₹ 2,050.00 lakhs from the Net Proceeds towards full or partial repayment/ pre-payment, in full or part, of certain unsecured borrowings availed by the Company.

The selection of borrowings proposed to be repaid/prepaid/redeemed by us shall be based on various factors including: (i) Cost of borrowings ii) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) levy of any prepayment penalties and the quantum thereof, (iii) provisions of any laws, rules and regulations governing such borrowings; and (iv) other commercial considerations including, among others, the interest/ coupon rate on the borrowings, the amount of the borrowings outstanding, the prepayment / redemption charges, terms and conditions of consents and waivers, presence of onerous terms and conditions and the remaining tenor of the borrowings. We may utilise the Net Proceeds for part or full repayment of any such additional borrowings or borrowings obtained to refinance any of our existing borrowings. Given the nature of these borrowings and the terms of repayment/pre-payment, the aggregate outstanding borrowing amounts may vary from time to time.

The following table provides the details of the unsecured borrowings availed by our Company from Non-Banking Financial Company, which was availed for business purposes and our Company has utilised said loan towards business purposes which is proposed to be repaid out of the Net Issue Proceeds. For the details of expansion, please see "*Our Business*" beginning on page 81 of this Draft Letter of Offer. We propose to repay the following loans out of the net issue proceeds:

Name of the Lender	Tenure of Loan	Sanctioned amount (in ₹ Lakhs)	Total outstanding amount as on September 30, 2023 (in ₹ Lakhs)	Interest Rate	Repayment Schedule	Prepayment clause (if any)	Purpose
Total Holdings and Finvest Pvt Ltd	42 months from of last disbursement	1,000.00	500.00	12% per annum at simple rate payable at the end of tenure along with principal.	Bullet repayment of principal and interest after the end of tenure and/or such other extended date as mutually agreed between the Company and the Total Holdings and Finvest Pvt Ltd	-	Expansion of the current business line at Unit III
Manba Finance Ltd	24 months from of last disbursement	500.00	500.00	12% per annum at simple rate payable at the end of tenure along with principal	Bullet repayment of principal and interest after 24 months from last disbursement and/or such other extended date as mutually agreed between the Company and the Manba finance Ltd.	-	For business purposes
Raivat impex Private Limited	As mutually agreed between the parties	500.00	500.00	12% per annum at simple rate payable on Quarterly basis.	The Borrower shall repay the loan to lender as mutually agreed between the parties however the loan may be repaid	-	For business purposes

					anytime by the borrower.		
Sunshine Organics Pvt Ltd	As mutually agreed between the parties	300.00	250.00	12% per annum at simple rate payable on Quarterly basis.	The Borrower shall repay the loan to lender as mutually agreed between the parties however the loan may be repaid anytime by the borrower.	-	For business purposes
Loan from Director	As mutually agreed between the parties	NA	428.37	12% per annum at simple rate payable on Quarterly basis	As mutually agreed between the parties	-	For business purposes

2. **Funding working capital requirements of our Company**

As on September 30, 2023, our Company has total sanctioned limit of working capital facilities of ₹ 8,313 lakhs, including fund-based and non-fund based limits. The aggregate amounts sanctioned under the fund based and non-fund based working capital facilities of our Company as on September 30, 2023 are ₹ 4,000 lakhs and ₹ 4,313 lakhs, respectively. We propose to utilise ₹ 1,510 lakhs from the Net Proceeds to fund the working capital requirements of our Company in Fiscal 2024. Our business is working capital intensive and we fund a majority of our working capital requirements in the ordinary course of our business from banks, financial institutions and our internal accruals.

(a) Existing Working Capital:

The details of our Company's working capital as at March 31, 2022 and March 31, 2023 derived from the Restated Financial Statements, and source of funding of the same are provided in the table below:

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
	Audited	Audited
Current Assets		
Inventories	3,207.01	2,929.79
Trade Receivables	4,721.95	4,144.95
Short Term Loans & Advances and Deposits	336.00	260.76
Other Current Assets	607.36	313.68
Total	**8,872.52**	**7,649.18**
Current Liabilities		
Sundry Creditors	2,381.20	1,440.04

Particulars	31 March 2023	31 March 2022
	Audited	**Audited**
Other Current Liabilities	673.91	548.17
Total	**3,055.11**	**1,988.21**
Working Capital Gap	**5,817.41**	**5,660.97**
Less: Existing Bank Borrowings	2,939.10	2,532.04
Net Working Capital Requirement	**2,878.33**	**3,128.93**
Funded through internal accruals and other borrowings	2,878.33	3,128.93

(b) Estimated Working Capital Requirements

Our Company proposes to utilize ₹ 1,510.00 lakhs of the Net Proceeds for our estimated working capital requirements. This entire amount will be utilized during Fiscal 2023 towards our Company's estimated working capital requirements. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed/ to be availed and internal accruals. Our Company's estimated working capital requirements for Fiscal 2024 and the proposed funding of such working capital requirements are as set out in the table below:

(₹ in lakhs)

Particulars	31 Mar 2024 (estimated)
Current Assets	
Inventories	4,425.44
Trade Receivables	6,298.11
Short Term Loans & Advances and Deposits	336.00
Other Current Assets	607.36
Total	**11,666.90**
Current Liabilities	
Sundry Creditors	2,696.12
Other Current Liabilities	673.89
Total	**3,370.01**
Working Capital Gap	**8,296.89**
Less: Existing Bank Borrowings	4,000.00
Net Working Capital Requirement	**4,296.89**
Proposed Working Capital to be funded from Right Issue	**1,510.00**
Funded through internal accruals and other borrowings	2,786.89

The working capital projections made by the Company are based on certain key assumptions, as set out below:

Sr. No.	Particulars	Assumptions
Current Assets		
1	*Inventories:*	In order to achieve cost competitiveness and shorter lead times through constant innovation, we need to maintain efficient inventory levels. In Fiscal 2022 and 2023 our inventory days were 64 days and 57 days respectively. We have estimated 61 days of finished inventory for the Fiscal 2024, to ensure adequate availability
2	Trade receivables	In Fiscal~~,~~ 2022 and 2023 our receivable days were 50 days and 47 days respectively. Due to the business growth and proposed expansion and the need

		for increasing the sales volume we estimate the receivable at 49 days for Fiscal 2024.
3	Other current assets including Short term loans and advances	The key items under this head are security with deposit with statutory authorities, capital advances, other advances, prepaid expenses, statutory dues receivables, etc. However, going forward, we do not foresee any major change.
Current Liabilities		
4	Trade payables	Our trade payables have been for 32 days and 42 days for fiscal 2022 and 2023 respectively. However, going forward we estimate to maintain payables at 37 days for Fiscal 2024 to avail best pricing and also buy from large suppliers.
5	Other current liabilities	Other current liabilities include provisions, statutory dues, expenses payable, etc. However, going forward, we do not foresee any major change.

3. General corporate purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹[●] lakhs towards general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds of the Issue, in compliance with Regulation 104(2) of the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise the Net Proceeds include but are not limited to funding growth opportunities, repayment of borrowings and interest thereon, strategic initiatives, joint-ventures, partnerships, marketing and business development expenses, expansion of facilities and meeting exigencies and expenses incurred by our Company in the ordinary course of business. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any.

ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately ₹[●] lakhs. The Issue related expenses include fees payable to the auditor, brokerage and selling commission, commission payable to Registered Brokers, SCSBs' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchange.

The estimated Issue related expenses are as follows:

Activity	Estimated expenses(1)(5) (₹ in lakhs)	As a % of the total estimated Issue related expenses(1)	As a % of the total Issue size(1)
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Issue.	[●]	[●]	[●]
Fees payable to the Registrar to the Issue, Statutory Auditors including out of Pocket expenses	[●]	[●]	[●]
<u>Others</u>			
- Listing fees, SEBI filing fees, BSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
- Printing and stationery	[●]	[●]	[●]
- Advertising and marketing expenses	[●]	[●]	[●]
- Fee payable to legal counsel	[●]	[●]	[●]
Miscellaneous	[●]	[●]	[●]
Total estimated Issue expenses	**[●]**	**[●]**	**[●]**

Bridge Financing Facilities

Our Company has not availed any bridge loans from any banks or financial institutions as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Interim use of Net Proceeds

Pending utilisation for the purposes described above, our Company will deposit the Net Proceeds only with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1934 as may be approved by our Board Right issue committee. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the shares of any listed company.

Monitoring of utilization of funds

As the size of the Rights Issue does not exceed ₹10,000 Lakhs, in terms of Regulation 82 of the SEBI (ICDR) Regulations, 2018, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds. Our Company will disclose the utilisation of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32 of the SEBI Listing Regulation, the Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Regulation 32 of the SEBI Listing Regulation, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on material deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee.

Variation in objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, being the regional language of Maharashtra, where our Registered Office is situated in accordance with the Companies Act and applicable rules. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, in accordance with our Articles of Association, and the SEBI ICDR Regulations.

Appraising entity

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

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue

Other confirmations

None of our Promoters, Directors, Key Managerial Personnel or members of our Promoter Group will receive any portion of the Issue proceeds.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publication and sources. Further, the information has also been derived from the report titled '*India Injection Molded and Blow Molded Plastics Market*' dated July 5, 2022 prepared by Marketysers Global Consulting LLP which was appointed by our Company vide engagement letter dated May 18, 2022 and has been exclusively commissioned and paid for by our Company. Marketysers Global Consulting LLP is an independent agency and has no relationship with our Company or its Directors, Promoters as on the date of this Draft Letter of Offer. For risks in relation to commissioned reports, please see "*Risk Factors - Industry information included in this Draft Letter of Offer* page 24.

Disclaimer of Company Commissioned Marketysers Report:

"Reports and surveys are based purely on data or information accumulated from the authorized personals not limited to stakeholders and field marketing executives of reputed companies, Material, organizations or bodies. The information is also derived based on further discussion with subject matter experts heading the practice or at reputed companies.

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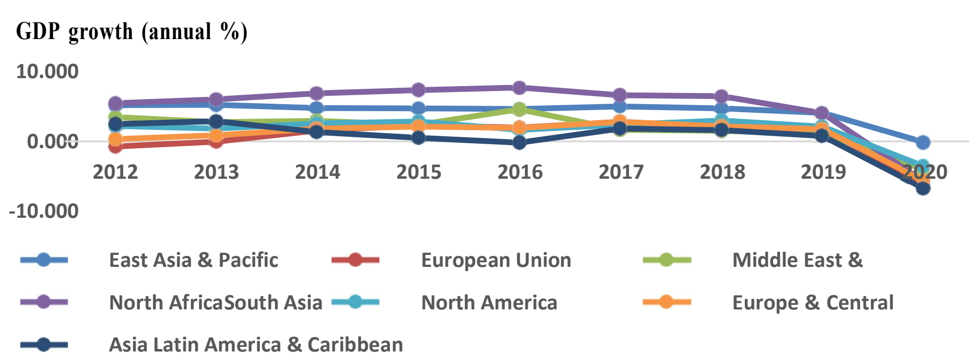
Insight into advanced economies and emerging markets & developing economies

According to estimates published by the Organization for Economic Co-operation and Development (OECD), inthe first two decades of the 21st century, emerging markets have witnessed rapid economic development, althoughat different speeds across different regions. While the economic growth in the OECD member countries has consistently been below the world average, emerging Asian countries have systematically outperformed the economies of other regions.

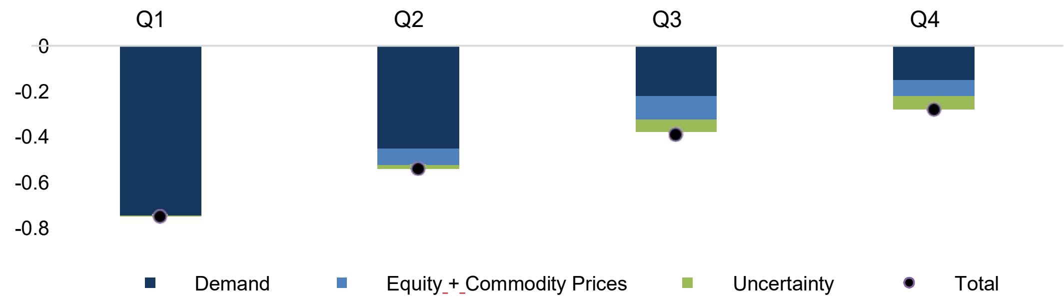


Source: World Bank Data, GST Council of India, India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging Industry Association of India, Plastics Trade

Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

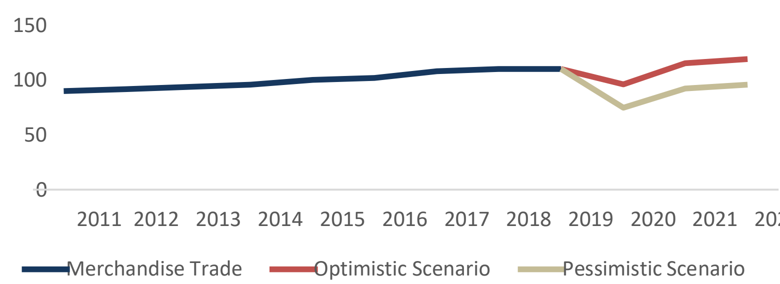
The pandemic has had a noticeable impact on global economic growth. According to the estimates by the UnitedNations, before the outbreak, the World Economic Situation and Prospects 2020 had predicted world gross product growth to expand at a modest pace of 2.5% in 2020. Similarly, estimates by the Organization for Economic Cooperation and Development (OECD) in 2020 projected a 0.5-1.5% decrease depending on the contained outbreak and downside scenario, respectively.

World GDP in 2020 (% difference from baseline and contributions in % points): Contained outbreak scenario



Source: OECD estimates, GST Council of India, India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging Industry Association of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

Global trade has also been suffering huge losses since the outbreak of COVID-19. WTO estimates suggest that global trade could witness a decrease between 13% to 32%, depending on the depth and extent of the global economic downturn. The estimates further suggest that nearly all regions, globally, will suffer a double-digit decrease in trade volumes in 2020, with exports from Asia and North America being hit the hardest. The impact on global trade volumes is projected to exceed the drop in global trade during the height of the 2008-2009 financial crisis. Trade is likely to fall steeper in sectors with complex value chains, such as electronics and automotive products.



Source: World Trade Organization, GST Council of India, India Plastics Manufacturers' Association(AIPMA), Indian Plastics Federation, Packaging Industry Association of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

INDIAN MACROECONOMIC OVERVIEW

The economic growth hindered in the last years and businesses are still trying to recover from the downfall. The real Gross Domestic Product (GDP) growth is projected to a strong growth. GDP growth, however, is expected to rebound strongly.

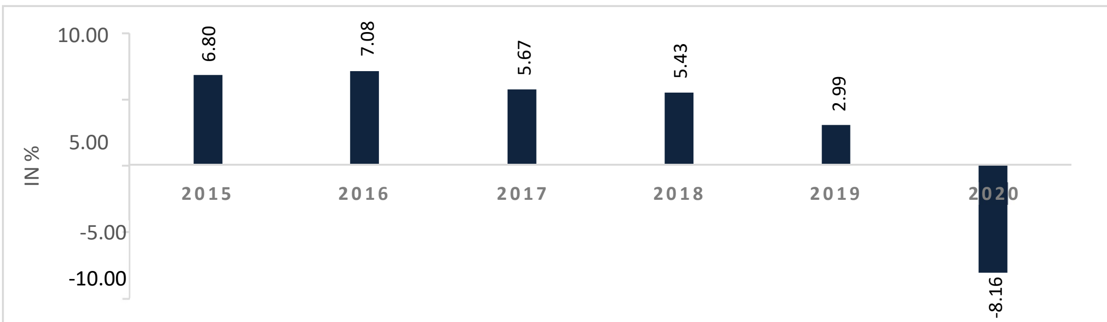
TREND IN GDP AND GVA

Indian GDP, 2017-2021

Year	GDP (% Growth)	Growth/Decline
2017	6.80%	Decline 1.46%
2018	6.53%	Decline 0.26%
2019	4.04%	Decline 2.49%
2020	-7.96%	Decline 12.01%
2021	9.50%	Growth 17.60%

Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging Industry Association of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

GDP per capita growth (annual %)



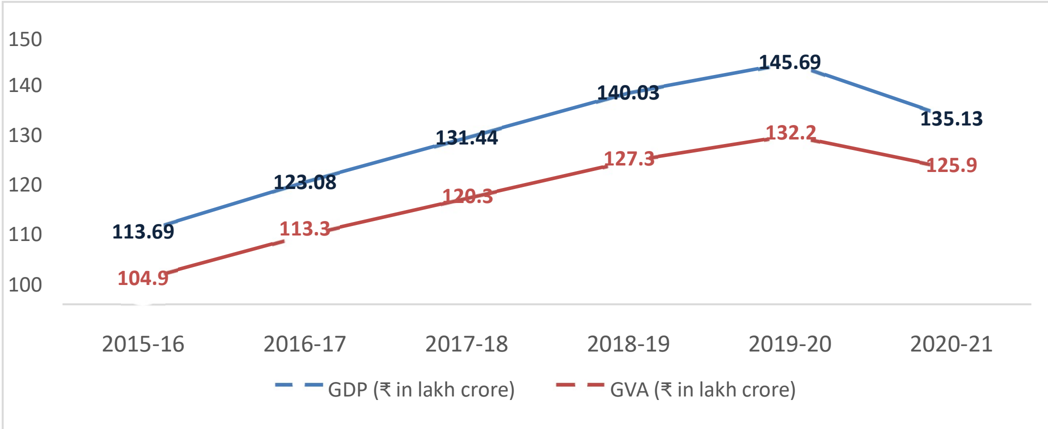
Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging Industry Association of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

Indian GDP, 2022-2026 (Forecasted)

Year	GDP (INR LAKHS)	GDP GROWTH
2022	188,509,313,200.00	8.63%
2023	209,467,238,000.00	8.39%
2024	231,742,175,500.00	8.18%
2025	256,049,744,900.00	8.09%
2026	282,500,969,500.00	7.99%

Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging Industry Association of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

GDP and GVA [at constant (2011-12) prices]



Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging Industry Association of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

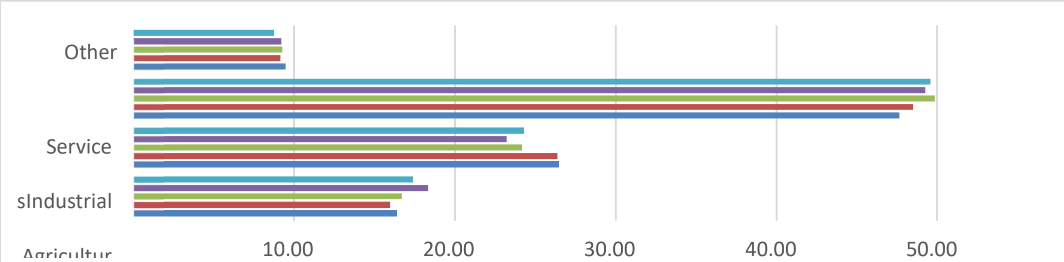
Gross Domestic Product (GDP) measures the annualized change in the inflation-adjusted value of all goods and services produced by the economy. It is the broadest measure of economic activity and the primary indicator of theeconomy's health. The most important and the fastest growing sector of the Indian economy are services. Trade, hotels, transport and communication; financing, insurance, real estate, and business services, and community, social and personal services account for more than 60% of GDP. Agriculture, forestry, and fishing constitute around 12%of the output but employs more than 50% of the labor force. Manufacturing accounts for 15% of GDP, constructionfor another 8%, and mining, quarrying, electricity, gas, and water supply for the remaining 5%.

Gross value added (GVA) is defined as the value of output less than the value of intermediate consumption. WhileGVA gives a picture of the state of economic activity from the producers' side or supply side, the GDP gives the picture from the consumers' side or demand perspective. A sector-wise breakdown provided by the GVA measure can better help the policymakers decide which sectors need incentives/stimulus or vice versa. As with all economicstatistics, the accuracy of GVA as a measure of overall national output is heavily dependent on the sourcing of dataand the fidelity of the various data sources in capturing the vast labyrinth of activities that constitute a nation's economic life. To that extent, GVA is as susceptible to vulnerabilities from the use of inappropriate or flawed methodologies as any other measure.

INDUSTRIAL GROWTH AND TREND IN PRODUCTION

Industrial production refers to the output of industrial establishments and covers sectors such as mining, manufacturing, electricity, gas and steam and air-conditioning. This indicator is measured in an index based on a reference period that expresses change in the volume of production output.

Share of Indian GDP by Sector



	Agriculture	Industrial	Services	Other
2021	17.38%	24.29%	49.58%	8.75%
2020	18.32%	23.21%	49.27%	9.20%
2019	16.68%	24.18%	49.86%	9.28%
2018	15.97%	26.38%	48.51%	9.14%
2017	16.36%	26.50%	47.67%	9.47%

2021 2020 2019 2018

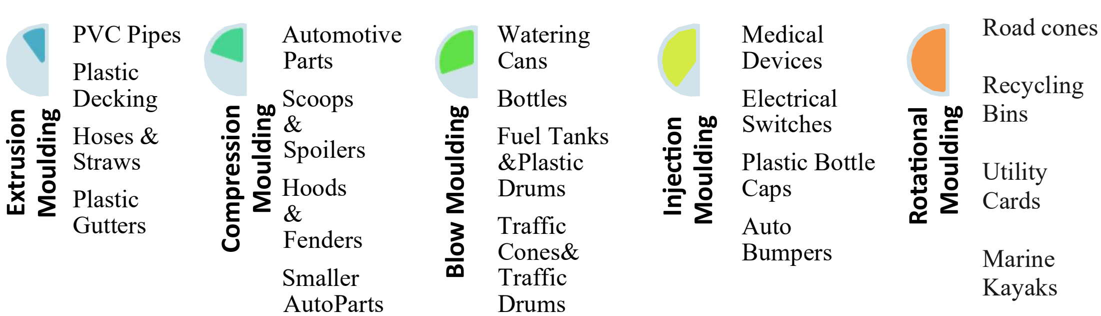
Source: JSTOR, Bureau of Indian Standards, Company Annual Report, Primary Interviews, Reports and Data

Manufacturing has emerged as one of India's fastest growing sectors. The government in the region has been adopting several policies to ensure an increased production of goods and to make India a self-reliant economy. For instance, the Make in India program has been launched to map India as a manufacturing hub and make the Indian economy globally recognized. Through the scheme, the government aims to create 100 million new jobs in the industry by 2022. Moreover, the region is also likely to become a high-tech manufacturing center as global giants such as GE, Siemens, HTC, Toshiba and Boeing have established or are in the process of establishing manufacturing facilities in India with the help of Make in India. Similarly, to expand its smartphone assembly industry and improve its electronics supply chain, in March 21, the government announced cash incentives of more than INR 750,000 lakhs to each company which will set up chip fabrication units in the country.

PLASTIC MOLDED INDUSTRY: INDIA

Industry overview

Plastic molding is the process of pouring liquid plastic into a container or mold and allowing it to harden into thedesired shape. These plastic molds can then be used for a variety of applications. When molding plastics, a powderor liquid polymer, such as polypropylene or polyethylene, is poured into a hollow mold and allowed to assume shape. Various ranges of heat and pressure are employed to create an end product depending on the type of process performed. There are many different types of plastic molding that are thought to be the most effective and popular.The following are the five most used plastic molding types and some of their major applications:



Demand trends

The demand growth in the molded plastics market is predicted to rise due to extensive expansion and developmentin the construction, automotive, and packaging industries. Molded plastics are utilized in the production of environmentally friendly, low-carbon-emission vehicles, which are increasingly in demand. Owing to the large outflow and inflow of fast-moving consumer products, and rapid modernization in India has resulted in increasedpackaging sector expansion. These are used to produce bottles, containers, cans, and packaging films. Furthermore, molded plastics are in high demand in the electrical and electronic industry as they are utilized in the production of electronic equipment such as laptops, televisions, computers, and mobile phones.

Some of the major trends of using molded plastics affecting its demand are: -

- Molded plastics' design flexibility, chemical and moisture resistance are expected to drive their consumptionin the packaging application.
- Molded plastics are increasingly being used in high-tech agricultural technologies such as irrigation systems, mulching, and greenhouses.
- Raw materials, additives, and operating properties such as formability, elasticity, hardness, rigidity,chemical and heat resistance can be varied by selecting the appropriate molding process.
- The majority of molded plastics are derived from fossil sources such as crude oil, natural gas, and naphtha.The ecological impact of petroleum-based molded plastics has prompted the development of bio-based plastics

Demand Drivers

The growing demand for plastic components from various end-use industries including automotive, electrical & electronics, packaging, home appliances, and medical devices is anticipated to drive the market. Molding technology has become more important in the mass manufacturing of difficult plastic shapes as a result of modernadvances to reduce the rate of faulty production. However, market expansion is projected to be hampered by variable pricing of raw materials such as benzene, ethylene, propylene, and styrene, as well as growing worries over their disposal.

Increased awareness of hygiene-related activities has fueled expansion in the packaging industry, where molded plastics are commonly utilized to create sophisticated and intricately structured plastics. The packaging business, for example, was worth over INR 64, 55,15,437 lakhs in 2019, according to a report published by the National Investment Promotion and Facilitation Agency in October 2020, and is predicted to grow at a CAGR of 2.8% from2019 to 2024. This is one of the major factors driving the molded plastics market forward over the forecast period.

Companies are concentrating on developing molded plastics with bio-based equivalents. The versatility of finishedproducts, such as higher heat and pressure resistance, makes them more useful to a wide range of sectors. The development of the plastics market has been aided by government support in the form of tax concessions and financial incentives in India to boost the flow of Foreign Direct Investments (FDI). Besides, India also has low- cost labor, which helps businesses lower their entire manufacturing costs. However, as a result of this shift, different plastic items have increased their capacity, influencing their costs. However, a slowdown or halt in production activities to prevent the spread of the coronavirus has resulted in a decrease in molding plastics consumption, affecting the demand in a variety of industries.

Executive Summary For India Blow Molded Plastics

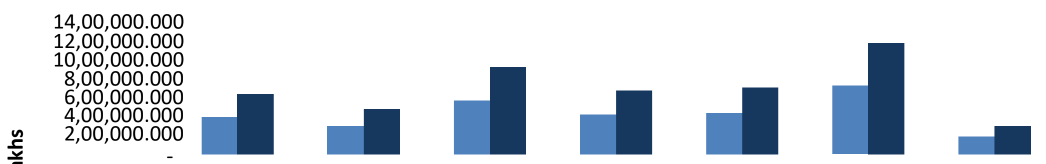
The Indian blow molded plastics market is expected to grow at a CAGR of 6.19% in terms of value to reach INR49, 96, 01,840.82 Lakhs in 2030 from INR 30, 90,01,974.134 Lakhs in 2022. By volume, the India blow moldedplastics market was valued at 4,292.996 Kilo Tons in 2022 and is projected to grow at a CAGR of 4.12% to reach5,929.682 Kilo Tons in 2030.

Major factors driving market revenue growth are increasing demand for plastic containers such as bottles, tanks, jars, and others of various shapes and sizes from various industries, and benefits associated with the blow moldedtechnology. In addition, demand for sustainable, aesthetically appealing, durable, and high-grade packaging of personal care and food & beverages is increasing simultaneously across India. Also, increasing adoption in medical applications and ongoing research & development are expected to support the growth of the blow moldedplastics market over the forecast period. The demand for blow-molded plastic for key applications in sectors including construction, automotive, and packaging is expected to increase the demand for blow-molded plastic in the region. Further, the use of medical products and household hygiene products such as disinfectants, sanitizers,cleansers, and others have dramatically increased after the COVID-19, as consumers have become more consciousabout hygiene and sanitization.

Furthermore, blow molding technology is highly suitable for complicated goods in a variety of patterns and shapes and is cost-effective, owing to which various manufacturers are opting for blow molding technology for producing huge batches in a very short amount of time while maintaining design and material flexibility. In addition, according to India Brand Equity Foundation (IBEF), the Indian packaged food industry is forecasted to double and increase to INR 52,500,000 lakhs, due to the factors like economic growth, demographic dividends, and rising e-commerce, which would propel the demand for Indian blow-molded plastic containers and packaging market.

The key summary is elucidated as follows:

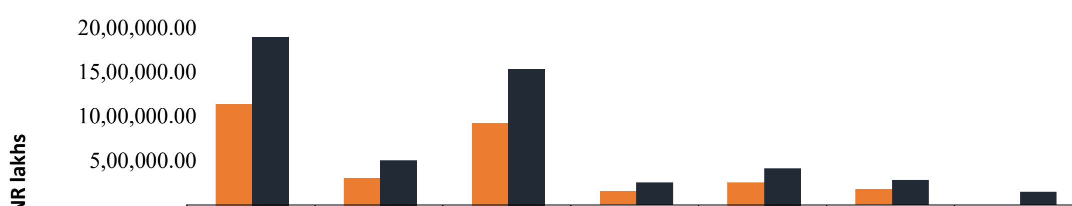
India blow molded plastics market segmentation outlook by material type, 2022 & 2030 (value in INR lakhs)



	Polypropylene	Acrylonitrile Butadiene Styrene	Polyethylene	Polystyrene	Polyvinyl Chloride	Polyethylene Terephthalate	Others
2022	4,00,573.2	3,02,082.9	5,80,446.1	4,29,561.4	4,44,455.6	7,40,937.7	1,91,962.4

Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging Industry Association of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

India Blow molded plastics MARKET Segmentation outlook by end-use, 2022 & 2030 (value in INR lakhs)



	Packaging	Consumer Electronics	Automotive And Transportation	Building And Construction	Consumer Goods	Medical	Others
2022	11,72,430.84	3,07,046.92	9,43,944.05	1,48,191.53	2,55,922.71	1,68,916.99	93,566.70
2030	19,01,623.33	4,97,227.16	15,32,968.24	2,38,917.89	4,10,909.15	2,71,814.96	1,42,557.69

Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging Industry Association of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

EXECUTIVE SUMMARY FOR INDIA INJECTION MOLDED PLASTICS

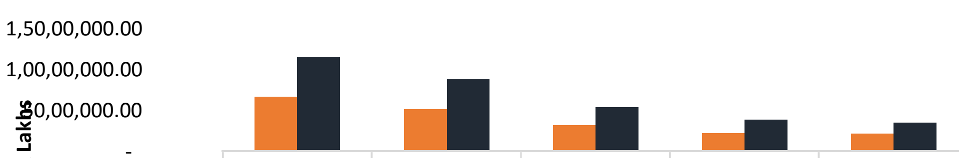
The India injection molded plastics market is expected to grow at a CAGR of 6.98% in terms of value to reach INR 3, 28, 44,099.59 Lakhs in 2030 from INR 1, 91, 41,620.48 Lakhs in 2022. By volume, the India injection molded plastics market was valued at 10,830.537 Kilo Tons in 2022 and is projected to grow at a CAGR of 3.40%to reach 14,148.509 Kilo Tons in 2030.

Major factors driving market revenue growth are rising demand from packaging industry, growing automotive sector, and benefits associated with the injection molded technology. Injection Molding is one of the most widelyused plastics manufacturing processes. It offers a realistic solution for mass-producing high-quality injection parts from a variety of polymers. The increasing demand for automotive in the region is expected to drive the injection molded plastics market. Plastic injection molding is an important technique in the automotive sector, where consistency, safety, and quality is important. Plastics such as polypropylene and polystyrene are widely used toproduce wide range of vehicle parts owing to its rigidity, flexibility, corrosion resistance, and weather resistance.Some of the most commonly injection molded plastics components include automobile doors, cable insulation, carpet fibers, bumpers, and bodies, Further, automotive injection-molded plastic are light weight and economical, and therefore, automakers are gradually replacing metal automobile parts with plastic. Additionally, medical industry is now adopting special medical grade plastic for joint replacement, stents and mesh scaffold. There is a rise in the need for injection molded equipment and tools to increase mobility, reduce costs and maximize outcomes.

In India, production efficiencies have been preferred, and plastic manufacturers are adopting advanced technologysuch as automation and 3D printing to reduce manufacturing costs. Technology has been a driving force in reimagining various options for manufacturing plastic parts. Advanced technology has a direct impact on the plastics manufacturing industry, resulting in substantial benefits and output. For projects requiring 100 to 500 cycles, 3D printing reduces production time. With a more efficient mold printed with cooling channels, there is no compromise in quality. Prototyping is possible without interfering with production. For instance, Mold-tek claim to be first company in India to introduce the concept of "In-Mold Labelling (IML)" for decorating plastic containers with robots. IML allows for photographic-quality decoration while maintaining complete hygiene and allowing for hands-free production.

Rising demand for plastic components from several end-user industries such as packaging, automotive, consumerelectronics, medical, building and construction is expected to drive the growth of the Indian injection molded plastic market throughout the forecast period. However, rising concern for environmental challenges on use of plastics and volatile prices of raw materials are expected to hinder the market growth.

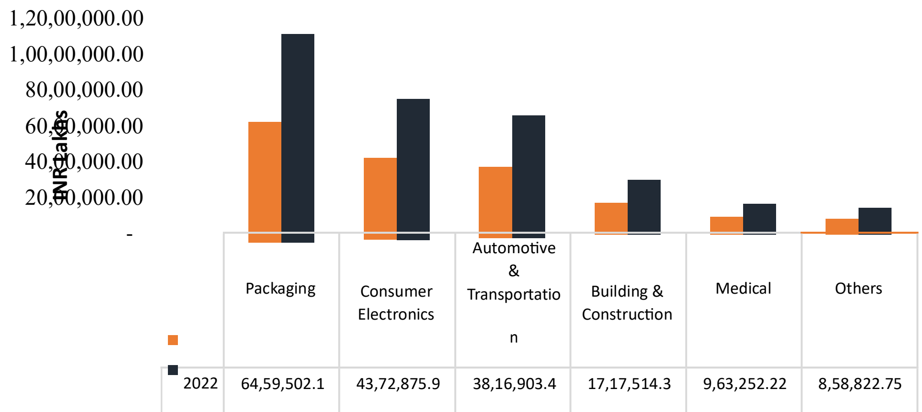
India injection molded plastics MARKET Segmentation outlook BY material type, 2022 & 2030 (value in INR lakhs)



	Polypropylene	Acrylonitrile Butadiene Styrene (ABS)	High Density Polyethylene (HDPE)	Polystyrene	Others
2022	66,53,648.92	50,68,344.49	31,28,335.22	22,30,360.46	20,60,931.40

Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging IndustryAssociation of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

India injection molded plastics MARKET Segmentation outlook BY end-use, 2022 & 2030 (value in INRLAKHS)



The market of India injection molded plastics from packaging sector is expected to grow significantly during the forecast period owing to the increasing demand for processed food, increasing working population, and growth ofe-commerce in India. Additionally, the demand from packaging is increasing in various end-use industries including pharmaceuticals, home & personal care, and other industrial products.

Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging Industry Association of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

MARKET DRIVERS ANALYSIS

Benefits associated with the product such as the ability to mold complex parts such as plastic, hollow and thin-walled

Blow molding is a plastic shaping technique used to make hollow plastic items out of thermoplastic materials. Plastic blow molding may be readily created by infusing tiny amounts of air into the molten material. There are alot of advantages to blow molding plastics for producing a large number of items. Fast production rates, the capacity to mold complicated parts, the flexibility to include handles into the design, as well as strength and durability, are all key benefits that increase the demand for blow molding for several applications. As each moldgenerates a unique wall shape, blow molds allow for more design flexibility between mold halves. In the case of blow molding, the mold is crucial, but there are other factors that have increased the implementation rate such aswall thinning, air leaks, flash, and streaks. For instance, wall thickness variation is frequently an important consideration for product designers. Water bottles, shampoo and other tiny bottles, automobile components, stadium seats and chairs, watering cans, coolers, and any other hollow parts are examples of parts and products made by blow molding. With the rising consumer awareness and preference toward brand recognition that offerssustainable packaging along with aesthetic and appealing appearance, the demand for blow-molded plastic products has surged significantly.

MARKET DRIVERS' ANALYSIS

High demand from medical and packaging industry

Packaging in India is the fifth largest industry and it is experienced tremendous growth. Retail Industry is one of the most dynamic industries in India. It has experienced high growth over the past years,with a gradual shift towards modern retailing formats. Indian retail market has attracted and increased the presence of multinational companies which will favour demand in spaces such as F&B, consumers' products, and cosmetics. According to the Packaging Industry Association of India (PIAI), the packaging industry in India is increasing at a rate of 22% to 25% annually. World-class products are being created locally at low cost due to an expanding number of production units, eco-friendly materials, and a greater focus on research and development. Government initiatives like 'Make in India' are expected to accelerate the process even more. The rising demand for packaging from various sectors including pharmaceuticals, food and beverages, transport, as well as households have raised the production of various innovative packaging, which has further propelled the demand for injection molded plastics products including cans, jars, drums, containers, and others. Injection molded packaging products act as an excellent barrier to oxygen, water and carbon dioxide. They are resistant to acids, alkalis, and most solvents, ensuring the contents' freshness and hygiene, as well as the products' long-term durability. According to industryestimates, 35-40% of foods produced in India are wasted due to a lack of infrastructure and processing capabilities.Plastics are used in food packaging to extend the shelf life and quality of the product while also reducing post- harvest losses.

Increasing Automotive Sector

India, the world's fourth largest automotive market, and is expected to rise, owing to solid underlying demand arising from the general economic recovery and customers' preference for personal vehicles over public transportation. In FY21, India produced 22.66 million vehicles, with 13 million vehicles produced between April and October of that year. Due to a growing middle class and a large %age of India's population being young, the two-wheeler category dominates the market in terms of volume. Furthermore, the increased interest of businesses in probing rural markets boosted the sector's growth. Additionally, the Automotive MissionPlan 2016-26 is a joint initiative of the Government of India and the Indian Automotive Industry to lay out a roadmap for the industry's development.

Benefits associated with injection molding technology

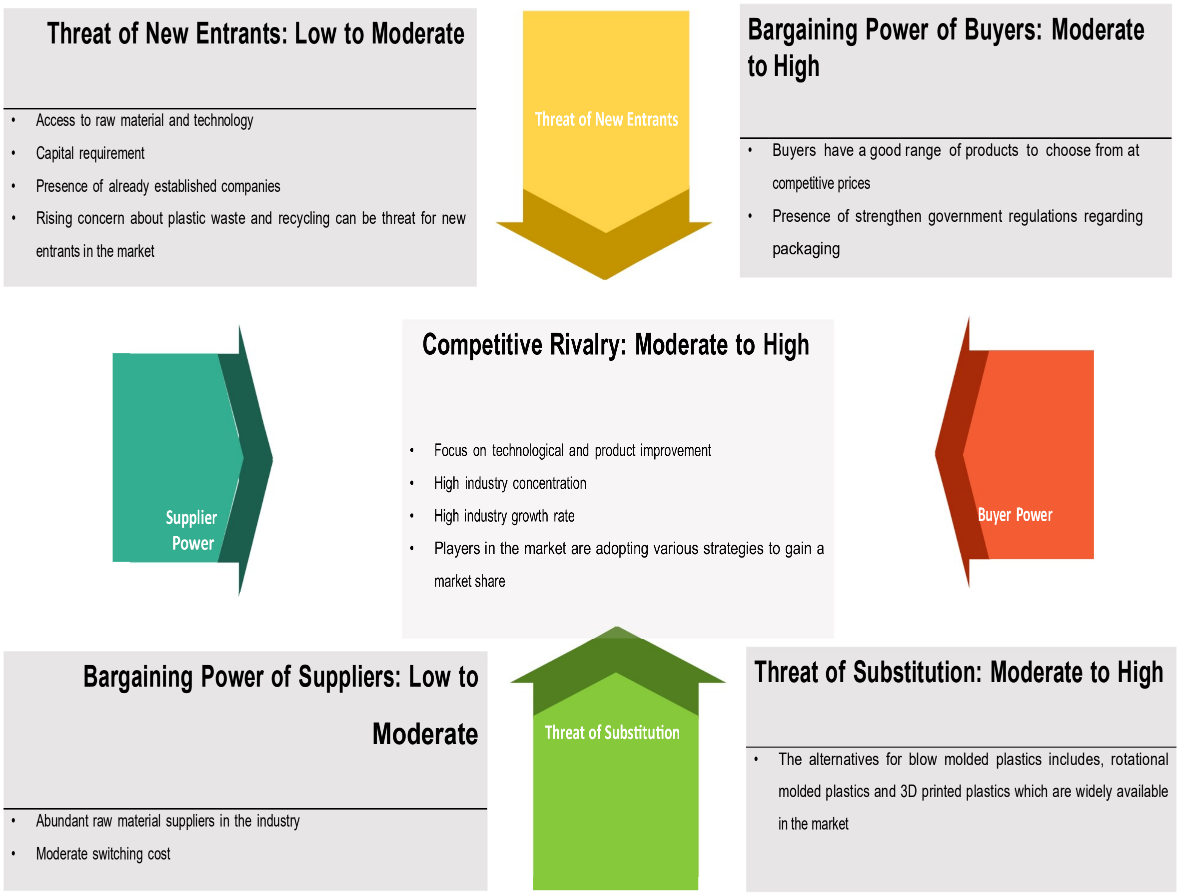
Injection molding technology is a very versatile manufacturing process, producing components of diverse shapes,sizes, and complexity. As a result, this method is widely used in a variety of applications and industries owing toits various benefits including strong, durable, and long-lasting components. The benefits associated with this technology includes high efficiency, strength and durability, produces precise and complex geometry, cost effective, production flexibility, high volume production and among others. Injection molding is able to produceextremely complicated parts with high consistency and the capability to mass-produce millions of nearly identicalpieces. Key design considerations should be considered to boost the efficiency of high-volume injection moldingand maximize the precision and quality of your products. The part design must be developed to take advantage ofthe high-volume molding's inherent efficiency. Parts can be produced consistently and with high quality with the appropriate design. Costly processing mistakes can be created without a suitable design. Thus, this factors herebyexpected to drive the injection molded plastic market over the forecast period.

Market Opportunities Analysis

Rise in Technological Advancements

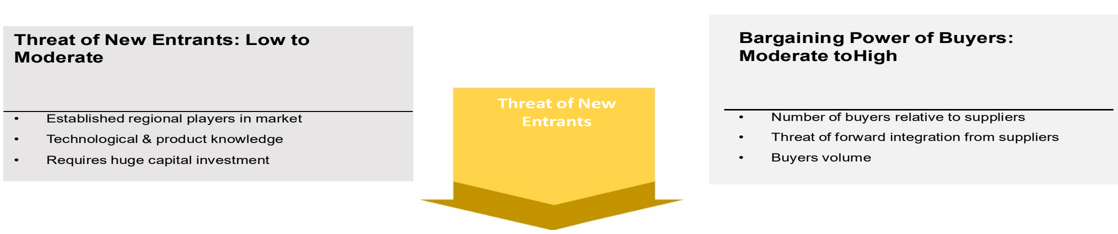
The introduction of artificial intelligence (AI), machine learning, and advanced analytics, as well as various automation software options, are expanding the possibilities of plastic injection molding. These technologies enable reduced downtime and equipment malfunctions, the development of predictive maintenance programs, andfaster production cycles. Simultaneously, new software enables companies to simulate injection molding cycles during the design process, allowing them to test for problems such as irregular fill patterns. This translates into fixing problems before moving on to the manufacturing process, saving time and money. Thus, the ongoing research and development of these technology would increase their adoption during the forecast period.

PORTER'S FIVE FORCES ANALYSIs



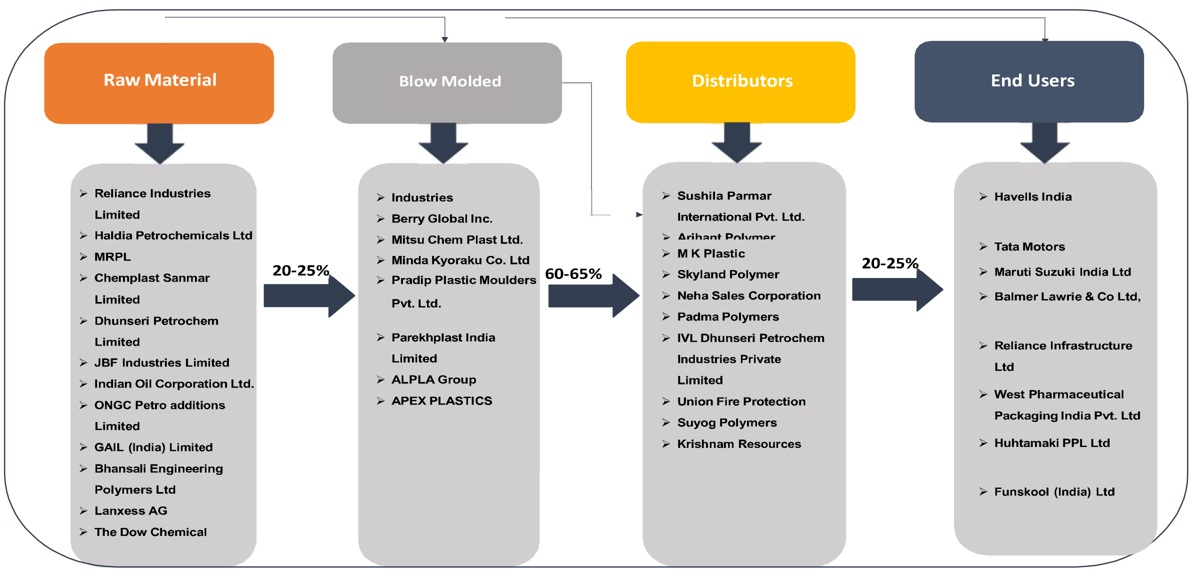
Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging IndustryAssociation of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

PORTER'S FIVE FORCES ANALYSIS - INJECTION MOLDED PLASTICSPORTER'S FIVE FORCES ANALYSIS



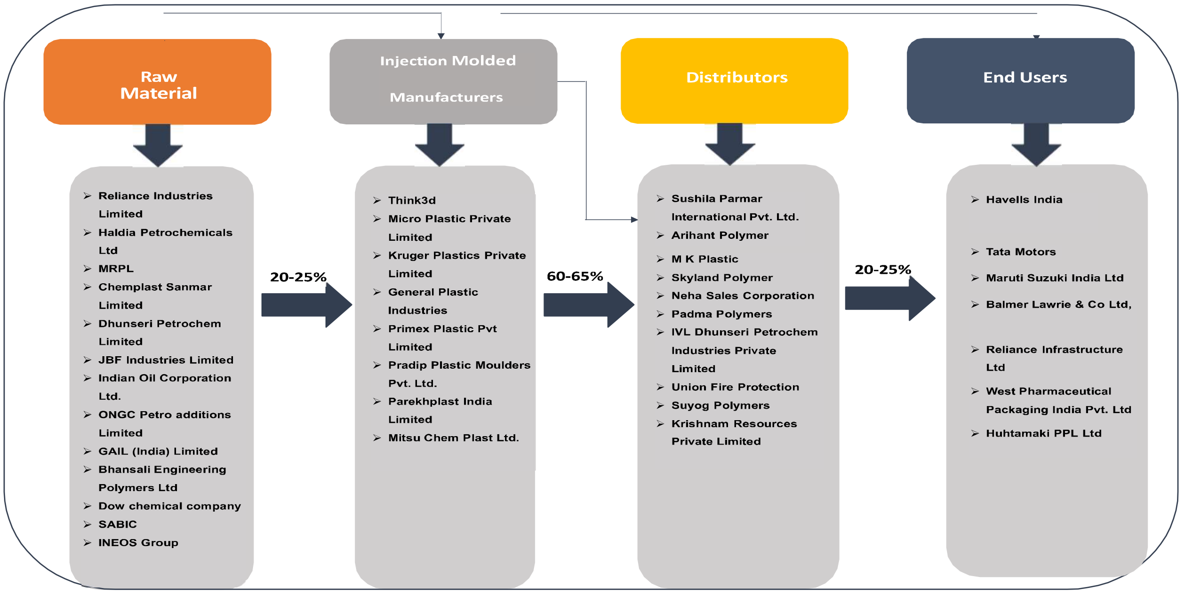
Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging Industry Association of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

VALUE CHAIN AND PROFIT MARGIN ANALYSIS – BLOW MOLDED PLASTIC VALUE CHAIN ANALYSIS



Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging Industry Association of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

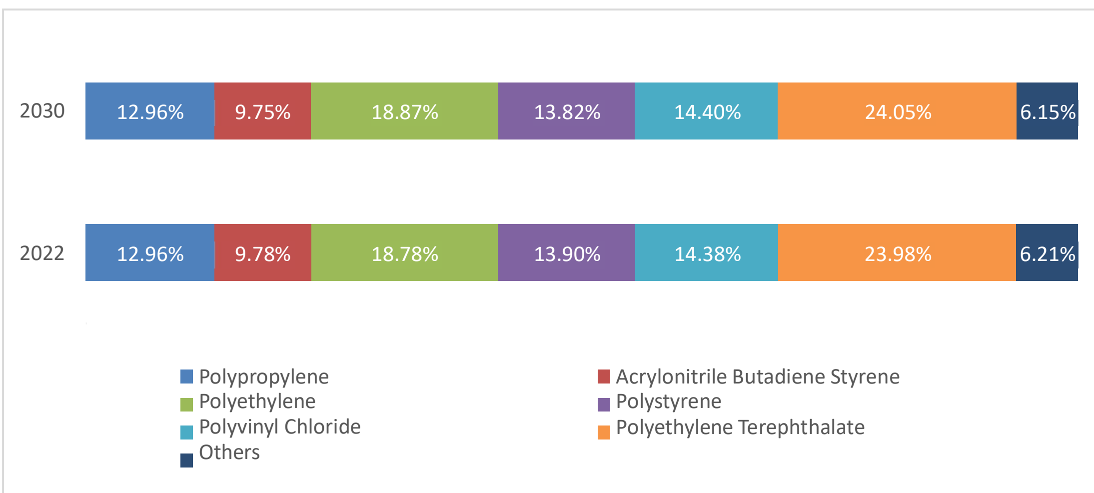
VALUE CHAIN AND PROFIT MARGIN ANALYSIS – INJECTION MOLDED PLASTIC VALUE CHAIN ANALYSIS



Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging Industry Association of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

India blow molded plastics market by material insights & trends

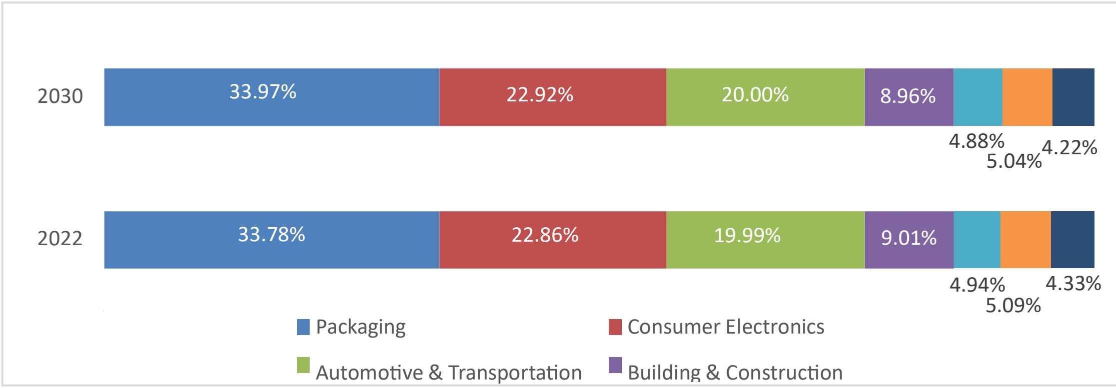
India blow molded plastics market: material dynamics (share in %)



Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging IndustryAssociation of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, Primary Interviews, Reports and Data

INDIA INJECTION MOLDED PLASTICS MARKET BY END USE INSIGHTS & TRENDS

India Injection molded plastics market: material Dynamics (share in %)



Source: India Plastics Manufacturers' Association (AIPMA), Indian Plastics Federation, Packaging Industry

Association of India, Plastics Trade Association, IPMMI, PIAI, PMMAI Company Annual Report, PrimaryInterviews, Reports and Data

POLYMER INDUSTRY IN INDIA

In India, polymer industry contributes significantly to the economic development and growth of a number of vitalindustries, including automotive, construction, electronics, healthcare, textiles, and fast moving consumer goods.It consists of wide range of plastic raw materials are manufactured to fulfil the material requirements of various industries. Commodity, engineering, and specialty plastics are the three types of polymeric materials. Commodityplastics are the most important goods in the plastics industry, and thus in the petrochemical sector. Polyethylene (PE), polypropylene (PP), polyvinyl chloride (PVC), and polystyrene are examples of commodity plastics. Whileengineering and specialty plastics are used for specific purposes and have improved mechanical and thermal qualities in a wide variety of situations than more regularly used commodity plastics. Styrene derivatives (PS/EPS& SAN/ABS) are some of the example of specialty plastics.

Polymer production has become one of India's fastest-growing businesses, owing to rising demand for polymers from a variety of industries, including electronics, health care, and packaging. With a rise in GDP, India has risento become the world's third-largest polymer market, continually adapting to newer ways of polymer synthesis. Polypropylene (PP), which is widely used in the automobile and mechanical industries due to its high mechanicalstrength and durability, is one such reason for the industry's growth. Also, the industry experts anticipated that growth in demand for polyethylene (PE) and polypropylene (PP) is generally in line with GDP growth. With lowper capita consumption, the opportunity for growth is enormous. Polymer exports could occur within the next 2–3 years if there will be plans for continuous polymer expansion.

Demand in India held consistent, as the air-conditioning sector typically saw strong demand in the second quarterof 2021, with air-conditioning producers acquiring cargoes in preparation. Because of the shift to home schools and offices, computers, and peripherals such as monitors, mice, and keyboards have become essential products, and being cooped up at home has led to huge demand for television sets and refrigerators. The increasing use of acrylonitrile butadiene styrene (ABS) in the fabrication industry, 3D printing, and injection molding processes isalso contributing to the market's growth. Other polymer markets, such as SBR or ABS, exhibit slight support for styrene.

CURRENT MARKET SCENARIO

India's plastics sector has been growing steadily, both in terms of volume and type of plastic produced. The structure of the plastics business sets the stage for understanding the policy framework to facilitate the future of plastics in India, which is geared on increasing plastics exports. While environmental activists recognize the extent of plastic inundation and its worrying impacts on climate, environment, and health throughout its lifecycle, the current structure of the political economy is configured to promote plastic production, relating the use of plasticswith necessity, development, and convenience in popular culture.

According to the Indian Plastics Industry Report, per capita consumption of plastic items in India in 2018 was 13.6 kg, while the global average was 30 kg. India's plastics sector has been growing steadily, both in terms of volume and type of plastic produced. The structure of the plastics business sets the stage for understanding the policy framework to facilitate the future of plastics in India, which is geared on increasing plastics exports. Whileenvironmental activists recognize the extent of plastic inundation and its worrying impacts on climate, environment, and health throughout its lifecycle, the current structure of the political economy is configured to promote plastic production, relating the use of plastics with necessity, development, and convenience in popular culture.

The Indian plastics industry employs approximately 40 lakh people and consists of approximately 30,000 processing units and 2,000 exporters. According to the union government's Indian Brand Equity Foundation (IBEF), 85% to 90% of processing units are small and medium-sized enterprises. The term "plastic industry enterprise" refers to industrial units in India that manufacture plastic products/items/articles using plastic as raw materials. Polyolefin (LLDPE, LDPE, HDPE, PP), PVC, Nylon, Polyesters, Polystyrene, Polycarbonate, polyamide (nylon 6, nylon 66), and other organic polymers with high molecular mass produced from petrochemicals are examples of plastic materials. Plastics and petrochemicals are regulated by the union government's Ministry of Chemicals and Fertilizers' Department of Chemicals and Petrochemicals (DCPC). The presence of numerous MSMEs and the fragmented nature of the huge plastics industry, which is in severe need oftechnology upgrades, are constantly emphasized in government records and policy documents. The government is likely to be seeking economies of scale through cluster development in order to increase output and exports, thereby contributing to the Indian economy and creating jobs.

OUR BUSINESS

To obtain a complete understanding of our Company and its business, prospective investors should read this section in conjunction with "Risk Factors", "Industry Overview", and "Management's Discussions and Analysis of Financial Condition and Results of Operations" on pages 24, 66 and 180, respectively as well as thefinancial, statistical and other information contained in this Draft Letter Of Offer.

Our fiscal year ends on March 31 of each year, so all references to a particular "fiscal year", "Fiscal" and "Fiscal Year" are to the 12-months period ended March 31 of that fiscal year. All references to a year are to that Fiscal Year, unless otherwise noted. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Letter of Offer. For further information, please see "Restated Financial Statements" on page 115. We have, in this Draft Letter of Offer, included various operational performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditors.The manner in which such operational performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Letter of Offer.

*The industry and market information contained in this section has been derived from a report titled 'India Injection Molded and Blow Molded Plastics Market' dated July 5, 2022 prepared by Marketysers Global Consulting LLP and commissioned by our Company ("**Company Commissioned Marketysers Report**").*

OVERVIEW

We are a packaging solutions provider engaged in the business of manufacturing polymer based molded products mainly used for industrial packaging for industries like chemicals, agrochemicals, pharmaceuticals, lubricants, food and edible oil. We also manufacture polymer based molded hospital furniture parts which are supplied to hospital furniture manufacturing companies. We also cater to the polymer-based product requirements of various other industries including automobile and infrastructure. We use blow molding and injection molding technologies for manufacturing our products. Our product verticals include the following:

- **Molded Industrial Packaging** – Blow molding products such as jerry cans, bottles, drums (wide mouth, narrow mouth, open top), barrels, carboys, open top drums, jars, etc. ranging from 100 ml to 250 litres. Injection molding products such as caps, closures, bungs, lids, handles, lugs, measuring cups, glass bottle caps, pail containers etc

- **Hospital Furniture Parts** - Head bows, side railings, planks commonly known as ABS panels, over bed tabletop, bed side locker parts, spine boards, CPR boards, etc.

- **Others** - Plastic parts of chairs used in school, bus and sports stadiums, medical devices such as pregnancykit, malaria kit, HIV kit, inhalers and automotive components.

Our Revenue from Operations across product verticals is as follows -

(₹ in lakhs, except for percentages)

Product	Half Year ended September, 2023		Fiscal 2023		Fiscal 2022	
	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations	Amount	% of Revenue from Operations
Molded Industrial Packaging	13,379.83	86.04	26,135.57	84.59	21,611.17	83.86
Hospital Furniture parts	1,279.37	8.23	2700.77	8.74	3,598.17	13.96
Others	891.05	5.73	2,061.11	6.67	562.37	2.18
Total	**15,550.25**		**30,897.45**		**25,771.71**	**100.00**

Our products are marketed and sold under the registered brand name having more than 500 SKUs cateringto more than 500 clients on a continuous basis.

We have three (3) strategically located manufacturing units out of which two (2) are situated at Tarapur MIDC, Maharashtra and the third unit is situated at Khalapur, Maharashtra. The total installed capacity of our manufacturing units is 24,219 MTPA.

We undertake in-house research and development for designing solution based polymer products which help ourclients in solving issues faced by them. We have developed various new products either independently or in consultation with our clients. We have registered eight (8) designs for hospital bed parts like head bow and foot bow. We have also applied for registration of a patent for head and foot bows for hospital bed with inbuilt cardiopulmonary resuscitation board (CPR) profile.

We have obtained ISO 9001:2015 (QMS), ISO 14001:2015 (EMS) and ISO 45001:2018 (OHSMS) certification for design, manufacture and supply of plastic containers, automotive parts, furniture parts and other related products. We have also obtained ISO 13485:2016 (MDQMS) for design, manufacture and supply of plastic healthcare & hospital bed furniture products, other hospital furniture related products, emergency & rescue products along with related accessories. Further, we have obtained the Certificate of Conformity for Spine Board (*plastic blow molded*) identified by the symbol "CE".

Our products undergo stringent quality tests to meet industry standards before they are delivered to our clients. We undertake various strength tests like hydrostatic testing and pneumatic testing on containers for leakages andruptures, environmental stress cracking resistance test and such other tests. These tests ensure that our products meet the industry standards required by our clients for safety, durability and environment.

The financial performance of our Company for the Fiscals 2023 and 2022 and half year ended September 30, 2023, are as follows:

(₹ in lakhs, except for percentage)

Particulars	Half Year Ended 30/09/2023	Fiscal 2023	Fiscal 2022
Revenue from operations	15,550.26	30,897.46	25,771.71
EBITDA[(1)]	1,045.30	2,659.27	2,567.63
EBITDA margin (%)[(2)]	6.72	8.61	9.96
PAT	284.83	1,180.48	1,149.99
PAT Margin (%)	1.83	3.82	4.44
Net Debt[(3)]	8,179.09	7,698.26	6,501.32
Total Equity	6,502.98	6,242.30	5,091.73
ROE (%)[(4)]	4.38	18.91	22.59
ROCE (%)[(5)]	5.30	15.00	17.87
EPS (Basic & Diluted)[(6)]	2.36	9.78	9.53

[(1)]EBITDA = Profit before tax + depreciation & amortization expense + finance cost- other income.

[(2)]EBITDA Margin = EBITDA/ revenue from operations.

[(3)]Net debt = non-current borrowing + current borrowing - Cash and Cash Equivalent, Bank Balance, andInvestment in Mutual Funds.

[(4)]ROE = Net profit after tax /Total equity.

*[(5)]ROCE = Earnings before interest and taxes (EBIT) / Capital employed**

**Capital employed = Equity + Non-current borrowing + current Borrowing + Deferred Tax Liabilities –*

Intangible Assets

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

Our Strengths:

Diverse customer base

We cater to polymer-based product requirements of our clients from diverse industries like chemicals, agrochemicals, pharmaceuticals, lubricants, food and edible oil, hospital furniture and infrastructure. We have over the years established relationships with various clients across these industries and continue to serve them our product offerings. We have more than 500 customers who are being served on a regular basis. The diverse customer base acts as a natural hedge against any recessionary environment that may affect a particular industry where we supply our products. For example, the recent Covid-19 pandemic significantly raised demand for our hospital furniture products due to increased requirements from hospitals and the healthcare industry in general.

Comprehensive product portfolio

We are engaged in the business of manufacturing polymer based molded products in industrial packaging, hospital furniture parts and other polymer-based products. We have more than 500 SKUs and cater to more than 500 clients on a continuous basis.

We use the blow molding technology to manufacture molding industrial packaging products such as jerry cans, bottles, drums (wide mouth, narrow mouth, open top), barrels, carboys, open top drums, jars, pail containers etc. ranging from 100 ml to 250 litres. In addition to these products, we also use injection molding technology to manufacturecaps, closures, bungs, lids, handles, lugs, measuring cups, glass bottle caps and thereby provide a complete solution for our client requirements. In the hospital and healthcare industry, we manufacture polymer-based hospital furniture parts like head bows, side railings, planks commonly known as ABS panels, over bed tabletop,bed side locker parts, spine boards and CPR boards using both blow molding technology and injection molding technology.

We manufacture plastic parts of chairs used in school, bus and sports stadiums, medical devices such as pregnancy kit, malaria kit, HIV kit, inhalers and automotive components. Over the years we have expanded our product portfolio to by adding new products and verticals which has increased our turnover and also diversified our revenue stream with improved profitability.

Product design & development capability

We undertake in-house research and development for designing innovative solution-based polymer products which help our clients in solving issues faced by them. We have created innovative products either independently or in consultation with our clients.

In September'2020 we applied for design registration and patent for head and foot bows for hospital bed with inbuilt cardiopulmonary resuscitation board (CPR) profile. We were granted patent for this product on 20th July 2023. In addition to this, we have also registered Eight (8) designs for hospital bed parts for head bow and foot bow, side railings. During the Covid-19 pandemic we developed a plastic molded handle/key to enable the user to hygienically go about his or her day-to-day activities without touching contaminated surfaces.

Strategic location of manufacturing units

We have three (3) manufacturing units out of which our Unit I and Unit II situated in Maharashtra at Tarapur MIDC and Unit III is situated at Khalapur. Our Unit I and Unit II are situated in the industrial belt of Boisar which is a manufacturing hub for various industries like chemicals, agrochemicals, pharmaceuticals, lubricants, food, edible oil, etc. Proximity to these industries enables easy accessibility and delivery of our products to theseindustries in the Tarapur- Boisar industrial region. In addition to this industrial belt, we are close to the Maharashtra-Gujarat border where there are several industrial zones like Vapi, Sarigam and Umbergaon which are manufacturing hubs for various industries. Since we are a B2B supplier of products, being close to our end- user market provides various advantages including lower freight costs and improved customer relationships. OurUnit III is situated between Mumbai and Pune at Khapoli near the Mumbai-Pune Expressway and enables our Company to supply our products to the industrial zones in this region like TTC Industrial Area, Turbhe, Mahape, Taloja and Pune. The location of these units with proximity to Mumbai and major industrial zones which has good connectivity to ports, airports and highways/expressways, enhances our capability of supplying our products in time and on a cost-effective basis to our clients.

Quality Standard Certifications & Quality Tests

We have obtained ISO 9001:2015 (QMS), ISO 14001:2015 (EMS) and ISO 45001:2018 (OHSMS) certification for design, manufacture and supply of plastic containers, automotive parts, furniture parts and other related products. We have also obtained ISO 13485:2016 (MDQMS) for design, manufacture and supply of plastic healthcare & hospital bed furniture products, other hospital furniture related products, emergency & rescue products along with related accessories. Further, we have obtained the Certificate of Conformity for Spine Board (*plastic blow molded*) identified by the symbol "CE". This certification establishes our quality standards and provides the required comfort to our clients on the high quality of our products.

Our products undergo stringent quality tests to meet industry standards before they are delivered to our clients. We undertake various strength tests like hydrostatic testing and pneumatic testing on containers for leakages andruptures, environmental stress cracking resistance test and such other tests. These tests ensure that our products meet the industry standards required by our clients for safety, durability and environment. We also undertake "met flow index test" which is carried on raw materials like HDPE, HMHDPE and master batches to ensure the quality of these raw material. Wherever required by our clients, we obtain industry standard tests certificates from our suppliers for the raw materials used by us for specific products.

Experienced Promoters and senior management team

Our Promoters have vast knowledge and experience in polymer related manufacturing and trading. They have been the driving force in developing and growing our business. Their understanding of the industry requirements, intuitive entrepreneurship and involvement in key aspects of our business has helped accelerate and drive our profitable growth. Our Promoters are complemented by a professional management team which shares the same vision and values as them to drive our growth. For further details, please see *"Our Management"* on 105.

We believe that we have attracted and retained experienced senior management team with operational and technical capabilities, management skills, business development experience and financial management skills.

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

Our Strategies:

Explore inorganic growth opportunities to increase capacity, products and business.

We have in the past increased our manufacturing capacity by acquiring blow molding and injection molding machines from other players in the industry. The availability of space in our existing units enables us to deploy these machines for capacity expansion and increase our output in good time. Availability of these machines provides the opportunity to manufacture value added products and experiment with newer designs and products offered by us to our customers. In addition to increasing the existing capacity and line of production, we now intend to explore acquisition of businesses, assets and machines in new geographies where considerable business opportunities would be available to grow our business. Strategic acquisitions targeted to increase capacity and penetrate newer markets will be the focus of our Company going forward.

Focus on manufacturing of import substitute products for the domestic markets.

The changing geo-political situation has offered various opportunities to Indian companies to explore both domestic and international markets. With the Government of India aggressively supporting local manufacturing and global sales various new opportunities have opened up for manufacturing in India. Further, due to geo- political issues, developed countries are considering and implementing alternative manufacturing destinations toensure continuity in supply and de-risking supply chain related issues experienced during the Covid-19 pandemic. These changes in policies, both at the global and local level, will open new opportunities for Indian industry and our Company, especially in import substitute products which were traditionally imported from the overseas markets in industries such as healthcare, toys, etc. These products have also become unviable due to high freight rates and supply chain issues which has offered an opportunity to Indian manufacturers like us to explore and exploit these opportunities.

Traditionally, we have served the domestic market and local manufacturers in various industries. The changing geo-political scenario is offering various opportunities in the post Covid-19 scenario and we plan to explore and exploit these opportunities to the fullest.

Our Business Operations:

Manufacturing Units

We have three (3) manufacturing units situated near Mumbai out of which two (2) are situated at Tarapur MIDCand the third is situated at Khalapur.

Unit I – Tarapur

Our Company has received consent to establish for our Unit I for manufacture of polymer based industrial packaging products with this unit in the year 1993. This unit is spread across approx. 21,528 sq. ft. and presentlyhouses blow molding machines and injection molding machines. We manufacture drums, cans, containers, panels, etc. using blow molding machines. Further, by using injection molding machines, we manufacture caps, closures, bungs, lids, handles, lugs, measuring cups, glass bottle caps, plastic construction blocks rings, dry powder inhalers, capsule inhalers, and plastic rods; out of these some of the products are mainly consumed in- house. Unit I also has a dedicated storage area for raw materials and finished goods. The current installed capacity of Unit I is 4,705 MTPA.

Unit I has equipped with five (5) blow molding and nine (9) injection molding machines along with other supporting machineries and equipments to carry out our manufacturing operations.

Unit II – Tarapur

Our Company has received consent to establish for our Unit II in the year 2006 for manufacture of polymer based industrial packaging products with this unit at Tarapur, Maharashtra which is in the same vicinity of Unit I. The Unit II is spread across approx. 36,597 sq. ft. and various blow molding and injection molding machineries have been installed at these premises. Unit II manufactures industrial packaging products, hospital bed panels and parts, automotive parts and other polymer based parts for chairs. Unit II has a three (3) level warehouse for storing raw materials, finished goods and packing materials. The current installed capacity of Unit II is 4930 MTPA.

Unit II has Seventeen (17) blow molding machines along with other supporting machineries and equipment's.

Unit III - Khalapur

In the year 2019, our Company has expanded its manufacturing facilities by setting up a unit at Khalapur near Mumbai. The developed area of this unit is approx. 96,000 sq. ft. This unit is dedicated to manufacture of blow molded and injection molded products along with warehouse space for raw materials, finished goods and packing materials. The current installed capacity of Unit III is approx. 14,584 MTPA.

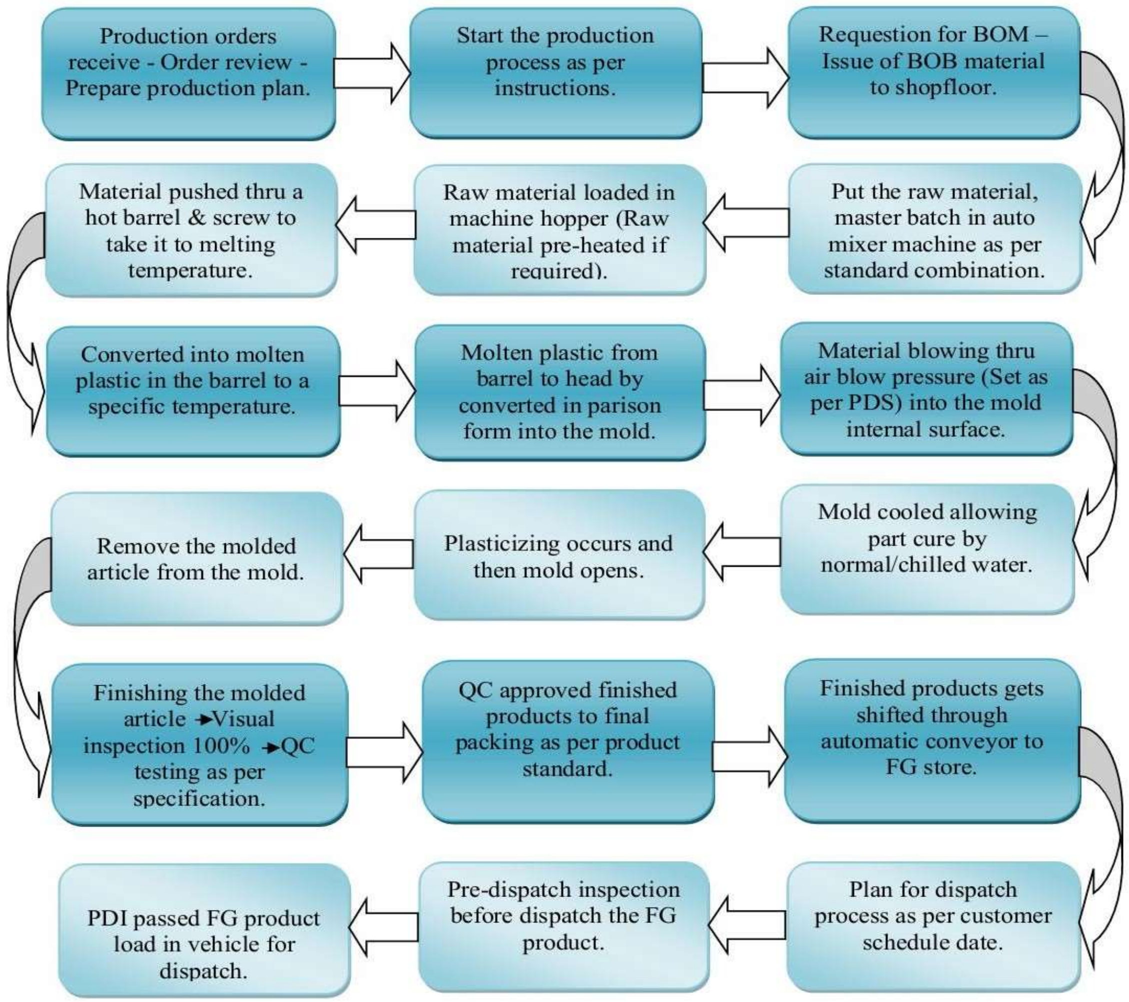
Unit III has g twenty -four (24) blow molding and Nine (9) injection molding machines supported by other machineries and equipments required for the manufacturing process.

Manufacturing Process

To deliver polymer molded products in various colours we use blow molding, injection molding and a combination of both. Different grades of HDPE or PP, as per the product requirement are processed through a series of steps, including manual inspection, to give out the perfect finished product. Following is the broad outline of processes involved blow and injection molding.

Blow Molding Process

Process flow chart for production by way of Blow Molding is set-out below:

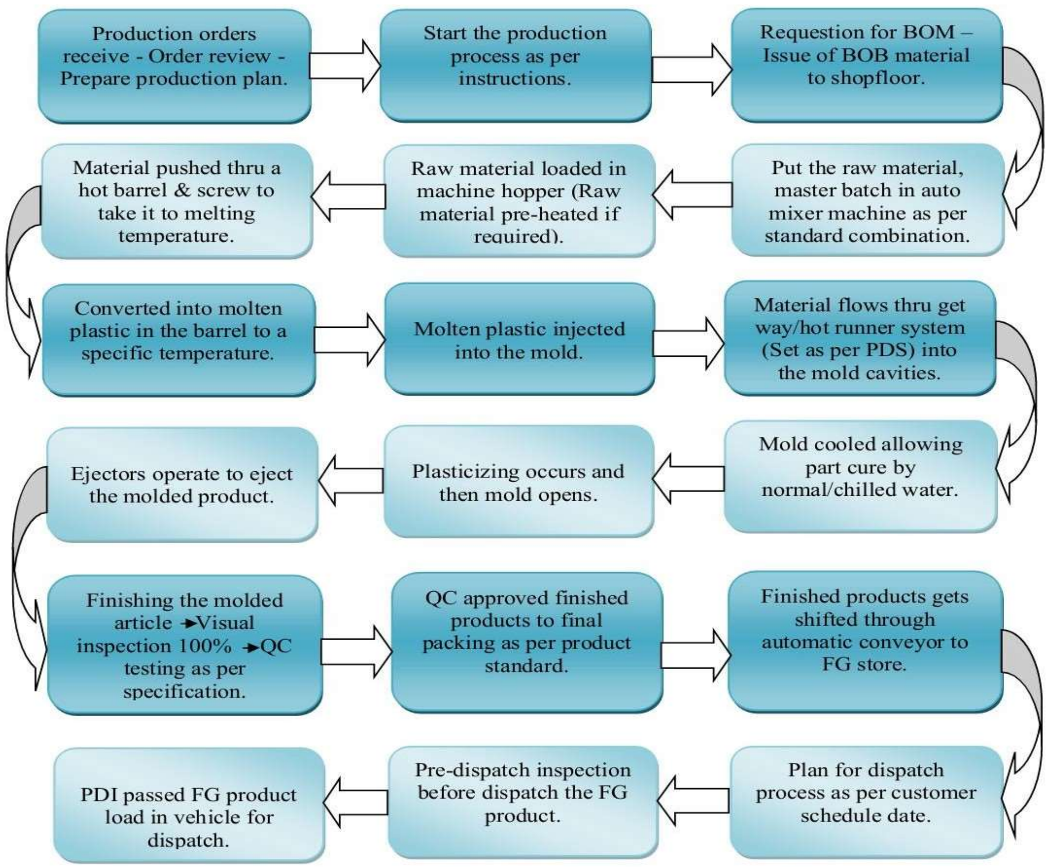


The detailed process involves the following sequential stages:

- The raw material polyethylene, colouring matter and the regrind material are mixed together in batchmixer in pre-set percentages and charged into the hopper of the Blow Molding Machine.
- The granular mixture is fed continuously into the extruder driven by a DC motor and gearbox. The rate ofextrusion can be infinitely varied by a thyristor drive built into the machine depending on the production rate required. The extruder is externally heated by electrically operated heater bands for maintaining and controlling of the temperature.
- The molten mass after homogenizing is collected in an accumulator from where it is pushed out in a cylindrical hollow shape called parison by a push out cylinder. Once the parison of desired weight, length and thickness has been pushed out and falls on the blow pins, the mold at predetermined rate and time automatically closes while the air blowing is also started simultaneously. The parison gets welded at the top and bottom and gets blown in the shape of the mold by air pressure.
- The mold, cooled by re-circulating chilled water cools the blow container from the outside and the circulating air within cools it from inside. After a predetermined period of time, the mold is made to open and the container is ejected out. The excess material on top and bottom called flashes are cut manually andput into the cutting mill for grinding and reuse.
- The container is then subjected to finishing process, after-cooling, checking, testing etc. Accessories are then fitted to the containers and are then ready for storage and eventual dispatch to the users.
- Printing is done by screen printing process as per customer's specifications.

Injection Molding Process

This process for the manufacture of the articles is based on conventional injection molding method. This involves mixing of raw materials with pigment of required colour in a mixture which is then fed to the injection molding machine. The process parameters of the injection molding machine are set depending upon the specifications of the final product. The critical process parameters are temperature and speed of injection intothe mold. Thereafter sufficient time is required for allowing the setting of material to requisite shape. The product is then cooled and subsequently removed from the mold. Process flow chart for production by way of Injection Molding is set-out below:



The detailed process involves the following sequential stages:

- Physical mixing of basic plastic compound with inorganic pigment in a mixer for imparting desired colour to the plastic material.
- This material is then fed to an injection molding machine by material loaders where it is melted by electricheaters and it flows by way of screw conveyor to the injection cylinder under constant mixing action.
- The molten coloured plastic from the injection cylinder of the injection molding machine is pumped through various flow channels into the cavities of the mold where it is shaped into the desired object bythe contours of the mold cavity.
- The mold is then opened to remove the molded plastic article after the material is kept confined in themold under pressure for a period of time, adequate enough to impart shape to the molten plastic and allowing it to cool to a temperature where it retains its final form.
- The molded plastic product from the machine is then hand worked for removing any protrusions and othervisual defects.

Storage Facilities

In addition to storage facilities at our manufacturing units, we also have additional storage facilities at the following locations:

a. Plot No. 104/105, Mumbai Pune Road, at post Nadhal, Taluka Khalapur, District Raigad.
b. Plot No. F4/12, MIDC Tarapur, Boisar, District Palghar.
c. Khasra No. 19/24, Bijapur, Near Om Dharm Kata, Village Budhpur, North West Delhi, Delhi, 110036.
d. B-108/5/4, V-Logis, Shameerpet Mandal, Medchal Dist, Sai Geetha Ashramam, Survey No. 725/D, 726/D & 727/D, Devar Yamjal, Hyderabad, Medchal Malkajgiri, Telangana,500078.

We also avail third party warehousing services for storage on temporary basis as per our inventory requirements

Our Products

Our Company manufactures various polymer-based products which are categorized into three broad heads, *viz,* Molded Industrial Packaging, Hospital Furniture Parts, and Others.

Molded Industrial Packaging

A. Blow molded products

Our Company manufactures Blow molding products such as jerry cans, bottles, drums (wide mouth, narrow mouth, open top), barrels, carboys, open top drums, jars, etc. ranging from 100 ml to 250 ltrs. Our plastic drums and containers are a supplied to major pharmaceutical and speciality chemical companies. Our plastic drums are made of 100% food grade materials which adhere to various industry standards.

- *Full Open Top Drums*

Our Company has an elaborate range of Full Open Top Drums i.e. from 15 liters top 250 liters and are custom made for our customers according to the thickness, size, colour, etc., required. These drums are fitted with removable lids and fitted with plastic clamps for long lasting and light weight product quality or metal rings, as required. The lids, tugs and clamps for these drums are manufactured in-house through our injection molding processes and the same are attached to the drum at appropriate stages.

- *Narrow Mouthed Drums*

These types of drums are basically used for filling liquids, like speciality chemicals, pesticides, dyes, etc. these drums generally have a two-mouth opening fitted with a self-locking cap with inner plug to prevent spillages and pilfering.

- *Wide Mouthed Drums*

Wide mouth drums are generally used for filling paste, semi-liquid materials like adhesives and also coarse power materials. The mouth of these drum’s ranges from 6 inches to 8 inches depending upon the product to be stored by the end user and is sealed by a screw type cap over the mouth.

- *Jerry Cans*

These cans are manufactured in varied sizes ranging from 5 liters to 50 liters. They are mainly used for storage of liquids, particularly, edible oils, fuel and other petroleum products. These cans provide better stackability dueto their shape and sufficient strength for liquid storage.

- *Pharmaceutical Bottles*

High quality / superior grade raw materials are used for the manufacture of pharmaceutical bottles to maintain the hygiene conditions and also ensure that they are of a superior quality and have better strength, surface, smoothness and shine. These bottles mainly used for storing tablets, pills and capsules are stored in a careful hygienic condition, thus eliminating any chance of contamination.

- *Miscellaneous Containers*

Our Company has a wide range of multi-purpose containers in the range of 85 millilitres to 10 liters available in varied shapes, sizes and colours. These containers are used in food industries, pharmaceutical industries,lubricant and petroleum products for storage of edible oils, lubricant oils, syrups, ointments, soaps, etc. Most of these containers are fitted with a screw type cap over the mouth of the container.

- *Pail Contaniers:*

Our Company is a world-class manufacturer of plastic pails, or alternatively, pail containers, which are designed and manufactured using superior quality raw materials in our modern factory. Our plastic containers are known for their strength and unique design. These containers are available with a plastic or metal handle. We provide multiple color options with HTL or IML label printing as per customer requirements. Our wide range of pails is used in various industries, such as inks, grease, paints and dispersants, detergents, chemicals, food and food products, edible oils, and lube oils.

B. *Injection molded products*

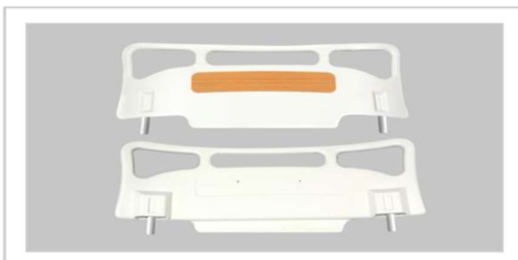
We manufacture Injection molded products such as caps, closures, bungs, lids, handles, lugs, measuring cups, glass bottle caps, etc. which are consumed in-house for the blow molded industrial packaging products. Other saleable products include dry powder inhalers, capsule inhalers, plastic blocks, bungs to name a few.

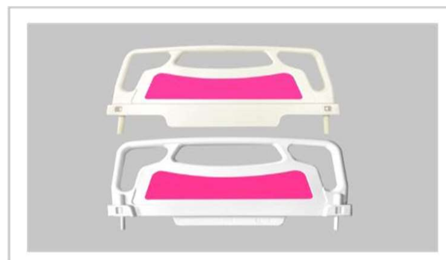
Hospital Furniture Parts

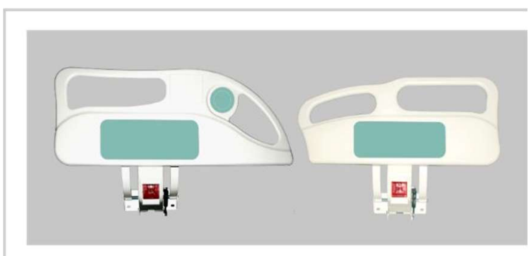
There has been a paradigm shift in the healthcare industry in terms of the hospital beds and their parts. Traditionally, hospital beds have been made of metal, with analogue reclining systems. These metal beds were heavy in their structure and also prone to corrosion. On the contrary, plastic beds are light weight, offer easy mobility, have a longer life and they look aesthetically better than a metal bed.

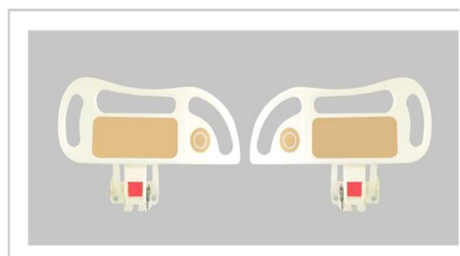
Our Company manufactures various parts of these hospital beds using blow molding and injection molding technology. These parts are ergonomically designed for easy use with pleasing aesthetics and finish and are also customisable in terms of design, colour and size. The various parts manufactured by us include ABS Panels, side railings, plastic rods, plastic buffers, plastic food tables, plastic toilet seats, head immobilisers, spine boardsand CPR boards.

- *ABS Panels*









The ABS panels for hospital beds are our flagship products and are offered in various designs and colours. The panels are robust, ergonomic, aesthetic and come with a finish as per the needs of the customers. These panels are made in such a way that they are easy to assemble and dismantle in case of replacement, transport or if required by patients.

These panels pertain to the different parts of the bed like head bows and foot bows, which are mostly a non- sliding / non-removing attachment. We make these bows in curved and straight designs and are fitted with different colour combinations as required by the customer.

Side boards and side railings on the other hand are attachments which require regular movement, i.e. sliding down or removing for the convenient of the patient. The side railings manufactured by us are attached with a bracket easy of assembling and movement.

- *Plastic Rods and Buffers*

These plastic rods are a perfect replacement to the traditional powder coated metal rods, which are subject to corrosion, friction and the powder coating wearing off. These rods are manufactured using the injection moldingprocess which enables us to make them strong and durable to take various loads continuous panel movements, patient weight, wheel stability, etc. Also, these plastic rods are user-friendly at the time of assembling and dismantling beds.

Traditionally, rubber buffers are used as attachments on hospital furniture like beds, wheel-chairs, trolleys and stretchers. These buffers are used as a shock absorbing mechanism at the time of transport of patients against walls, elevators, doors, etc. However, rubber buffers wear out in a short reducing their effectiveness. The plastic buffers are made using the blow molding technique where the hollowness of these buffers provide a better cushioning effect that rubber.

- ***Spine Boards***

Spine Boards manufactured by us are 'CE' certified and comply with the requirements of global medical standards. Even though they are light in weight, they offer better strength than the old metal stretchers. These boards are scientifically designed to be user-friendly while carrying patients and are widely used in all modern pre-hospital trauma care, ambulance services and lifeguards.

Other Products

Our Company offers products for various industries other than its traditional clients. These products include Plastic parts of chairs used in school, bus and sports stadiums, medical devices such as pregnancy kit, malaria kit, HIV kit, inhalers, automotive components, aquaculture floats etc. These are made using the blow molding process with high grade polymer to ensure strength and durability.

- ***Seating systems***

- ***Automobile Parts***

We manufacture automobile parts like rainhood plastic, air intake duct, AC ducting pipes, washer tanks andsuch other products required by the automobile industry.

Besides the above, we have manufacturing capabilities for various products like food tables, toilet seats, CPRboards and head immobilisers which are made using the blow molding technique as per requirement.

Testing and Quality Control

We maintain high standards for quality control and have modern machines operated by skilled operators underproper quality control and strict supervision. We conduct the following tests on a sample basis on our products.

1) Melt Flow Index

All the input raw materials such as HDPE, HMHDPE, Master batches, are tested on the Melt Flow Indexer perlot / batch no. prior to issue for production. Thus, all the materials are controlled in-house and kept in records.

2) Drop Testing

We have installed a state of the art, unique automatic Drop tester on which we can drop the containers filledwith water from any height and angle as required.

3) Closure Leakage Testing

Filled containers are kept upside down on the floor for 1 hour to ensure there is no leakage from the closures.

4) Dimension Test

In dimension testing all the dimensions of the article are checked (length, height, major thread, minor thread,neck height, internal dimensions, width and breadth) Dimensional analysis is done to check.

5) Visual Test

Visual inspection is a common method of quality control. Visual inspection is to check the article's color,weight, fitment, packing size, etc.

6) Fitment Test

This test is undertaken on containers/bottles and furniture products to check the fitment of the respectiveaccessories on the products to ensure they are as per the customer requirements.

Installed Capacity and Capacity Utilization

Installed Capacity and capacity utilization of our manufacturing units for the last Two years

Details of manufacturing unit	Particulars	Fiscals	
		2023	2022
Unit I	Installed Capacity (in MTPA)	4,705	4,705
	Utilised Capacity (in MTPA)	3,630	3,485
	Utilised Capacity (%)	77.16	74.08
Unit II	Installed Capacity (in MTPA)	4,930	4,973
	Utilised Capacity (in MTPA)	2,866	2,922
	Utilised Capacity (%)	58.14	58.77
Unit III	Installed Capacity (in MTPA)	14,584	13,179
	Utilised Capacity (in MTPA)	9,822	8,215
	Utilised Capacity (%)	67.35	62.33

Raw Materials

Following are the key raw materials for manufacture of our products:

Polymers

We procure various types and grades of polymers for manufacture of different products. The main polymersused by us include High Density Polyethylene (HDPE) of different grades, Poly Propylene (Homo Polymer) andPoly Propylene (Co Polymer) of different grades. Besides, we also use Low Density Polyethylene (LDPE), PET,ABS, Nylon & Polycarbonet etc.

Our Company procures polymers from both the domestic and international market. In the FY 2023, we imported44% (approx.) of our total raw material procured compared to 56% (approx.) procured from the domestic market.

Masterbatches

Masterbatches provide colour to the product manufactured using blow molding or injection molding process. The masterbatches are mixed with the polymers while feeding in the hoppers of the machines. They are melted along with the polymers giving colour to the entire batch of products.

Power

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

Details of manufacturing unit	Sanctioned load
Unit I	610 KVA

Unit II	720 KVA
Unit III	2,110 KVA

In addition to the said sanctioned power, our Company has installed DG Sets as standby arrangement in all our manufacturing units, which is used in case of need/shortage or requirement of additional power. Our Company procures its entire diesel requirement from local petrol pumps, i.e. in the vicinity of our Units.

Water

Our Unit I and Unit II source their water supply from MIDC while our Unit III sources its water supply from thelocal bore wells. Water is mainly used for cooling towers and is not directly used in the manufacturing process.

Effluent Treatment

Our Company has received approval from MPCB under the green category for Unit I, Unit II and Unit III hence no special effluent treatment is required. Further, we comply with the sewage disposal norms laid down by the MPCB for granting its consent and other general standards notified from time to time.

Environment, Health and Safety

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

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

Information Technology

We utilize an enterprise resource planning solution, SAP, which assists us with various business functions including sales, distribution, materials management, warehouse management, production planning, quality management, finance and controlling and human resources across all our offices and manufacturing units.

Sales and Marketing

Our Company has a centralised sales and marketing division garnering clients for its products and building strong relations with them. The division is controlled by our Joint Managing Director, Sanjay Dedhia.

We have sales & marketing team at our Registered Office and support teams at all three (3) units. Our sales and marketing team consists well experienced and qualified people to develop, maintain and increase relations with our customers. Our marketing team plays an important role in the development of new products based on their study and feedback on latest industrial needs. Our Registered Office and manufacturing units are well synchronised and we endeavour to keep the updated from time to time. We target our marketing activities towards both domestic and multinational corporations for our products. We maintain customer relations by attending local and overseas exhibitions and meetings in person. New customer as well as product development is mainly through participation in exhibitions to stay updated on industry trends, finding new products and customers. We also periodically advertise in the national editions of Chemical Weekly, an industry specific magazine which showcases our products to the right clientele.

Manpower

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

Particulars	Administration	Workers	Total
Registered Office	54	Nil	54
Unit I	31	50	81
Unit II	63	71	134
Unit III	67	103	170
Total	**215**	**224**	**439**

We also have arrangements for hiring of workers on contract basis at our manufacturing units.

Exports and Export Obligations

There are no export obligations as on date of this Draft Letter of Offer

Freight & Logistics

In addition to our own fleet of nine (9) commercial vehicles, we also use third party transportation providers forthe supply of our raw materials and delivery of our products to our customers. Having our own fleet of commercial vehicles enables timely delivery of our products to the customer without depending on any external service provider.

Competition

Plastics products being a global industry, we face competition from various domestic and international manufacturers and traders. Competition emerges from organised as well as unorganised players in the plastic product industry. The organised players in the industry compete with each other by providing high quality, consistent and time bound products and value-added services. We have a number of competitors offering products similar to us. We ensure the product quality, timely delivery, product innovation, customisation in products which helps us to maintain strong relationship with our customers which in turn provides edge over ourcompetitors. For further information on competition, please see "*Industry Overview*" beginning on page 66.

Insurance

Our operations are subject to various risks in the manufacturing industry. Accordingly, we maintain insurance policies for our manufacturing units, offices, buildings, plant and machinery, furniture, fixture and fittings and stocks due to fire and other perils. Further, we have also maintained fire and burglary policy for our raw materialstored at our manufacturing units and some of our warehouses. We also maintain marine cargo insurance policy to insure consignments shipped by sea and to cover inland movement of all cargos by road or rail. We have also maintained insurance policies for our vehicles. Further, we have also maintained debtor insurance policy which provides protection from failure of our customers to pay their debts.

We have also obtained director and officer liability insurance policies, group medical claim policy, accident insurance policy and employee's compensation policy for our employees.

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

Corporate Social Responsibility

Our Company has adopted a CSR policy in compliance with the requirements of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. We have incurred ₹ 16.00 lakhs and ₹ 24.18 lakhs during the Fiscal 2022 and Fiscal 2023, respectively towards corporate social responsibility.

Intellectual Property

Trademarks

As on the date of this Draft Letter of Offer, the Company has five (5) registered trademarks under class 20 and 21 with the Trademark Registry in India.

Designs

As on the date of this Draft Letter of Offer, our Company has Eight (8) design patterns for hospital bed parts for head bow and foot bow, side railings, head bow and foot bow with a CPR board, under 06-02 class, registered with the Controller General of Patents, Designs and Trademarks in India.

Copyrights

As on the date of this Draft Letter of Offer, we have one (1) copyright registered with the Trademarks Registry in India.

Patents

We have made an application for registration of one (1) in India for invention titled 'Head and Foot Bows for hospital bed with Inbuilt Cardio Pulmonary Resuscitation Board Profile'.

Immovable Property

Our Company owns the following immovable properties:

Address of Premises	Purpose
Gala Nos. 322 to 329, 3rd Floor, Gala Complex Premises Co-op. Soc. Ltd., Din Dayal Upadhyay Marg, Mulund (West), Mumbai 400 080.	Registered Office
Land - Survey No. 24, Hissa Nos. 1, 15, 11 & 12, Village Talawali, Taluka Khalapur, District Raigad admeasuring 11,970 sq. mtrs.	Unit III

Our Company has taken the following immovable properties on long terms lease basis:

Address of Premises	Name of Lessor	Term	Purpose
Land - N 83 and 84, Tarapur Industrial Area, Palghar District, Thane jointly admeasuring 2,000 sq. mtrs.	Maharashtra Industrial Development Corporation	95 years from July, 1988 (*Plot No. N-83*) and 95 years from March, 1989 (*Plot No. N-84*), respectively. The balance lease period for this premise is 62 years, respectively.	Unit I
Land - J-237, Tarapur Industrial Area, Palghar	Maharashtra Industrial	Lease for a period of 95 years from September, 1993. The balance lease period for this premises is 67 years.	Unit II

District, Thane admeasuring 3,400 sq. mtrs.	Development Corporation		

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

Address of Premises	Name of Licensor	Term	Purpose
Khasra No. 19/24, Bijapur, Near Om Dharm Kata, Village Budhpur, North West Delhi, Delhi, 110036	V- Logis (a division of V-Trans (India) Ltd.)	24 months w.e.f. February, 2023	Warehouse
Plot No. F4/12, MIDC Tarapur, Boisar, District Palghar.	Beetee Silk Mills Pvt Ltd	36 months w.e.f. December, 2021.	Warehouse
Plot No. 104/105, Mumbai Pune Road, At post Nadhal, Taluka Khalapur, District Raigad.	Iqbal Singh Sablok	36 months w.e.f. April 2022.	Warehouse
B-108/5/4, V-Logis, Shameerpet Mandal, Medchal Dist, Sai Geetha Ashramam, Survey No. 725/D, 726/D & 727/D,Devar Yamjal, Hyderabad, Medchal Malkajgiri, Telangana,500078	V- Logis (a division of V- Trans (India) Ltd.)	08 months w.e.f. July, 2023	Warehouse

We also avail third party warehousing services for storage on temporary basis as per our inventory requirements.Further, we have entered into various leave and license agreements with certain parties for providing residenceto some of our employees.

OUR MANAGEMENT

Board of Directors

In terms of Companies Act and the Articles of Association require that our Board shall comprise of not less than three Directors and not more than fifteen Directors, provided that our Shareholders may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As on the date of filing this Draft Letter of Offer, our Company currently has six (6) Directors out of which one (1) is a Chairman and Whole-time Director, two (2) are Joint Managing Directors, three (3) are Independent Directors out of which one (1) is a woman Director. Our Company is in compliance with the corporate governance laws prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof. The following table sets forth the details of our Board as on the date of filing of this Draft Letter of Offer:

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
Jagdish Dedhia ***Designation***: Chairman & Whole-time Director ***Date of birth:*** December 10, 1960 ***Address***: B - 905/906, Jalaram Park, L.B.S. Marg, Near Sonapur Junction, Bhandup (West), Mumbai – 400 078, Maharashtra, India ***Occupation***: Business ***Current term:*** Three (3) years from May 1, 2022 and liable to retire by rotation ***Period of Directorship***: Since April 12, 1990 ***DIN***: 01639945	62	• Mitsu Foundation
Sanjay Dedhia ***Designation***: Joint Managing Director ***Date of birth:*** November 9, 1970 ***Address***: 2107, Monte Vista, Madan Mohan Malviya Road, Mulund (West), Mumbai – 400 080, Maharashtra, India ***Occupation***: Business ***Current term:*** Three (3) years from May 1, 2022 and liable to retire by rotation ***Period of Directorship***: Since July 15, 1993 ***DIN***: 01552883	52	• Mitsu Foundation
Manish Dedhia	46	• Mitsu Foundation • The All India Plastics Manufactures Association

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
Designation: Joint Managing Director and Chief Financial Officer ***Date of birth:*** August 25, 1976 ***Address***: A-1501, Runwal Pride, LBS Road, Mulund (West), Mumbai- 400 080, Maharashtra, India ***Occupation***: Business ***Current term:*** Three (3) years from May 1, 2022 and liable to retire by rotation ***Period of Directorship***: Since April 1, 1997 ***DIN***: 01552841		
Dilip Gosar ***Designation***: Independent Director ***Date of birth:*** March 12, 1967 ***Address***: 1504, Neelkanth Heights, B. P. Cross Road, Mulund (West), Mumbai – 400 080, Maharashtra, India ***Occupation***: Professional ***Current term:*** Five (5) years from June 13, 2021 ***Period of Directorship***: Since June 13, 2016 ***DIN***: 07514842	56	• Sky Gold Limited
Neha Huddar ***Designation***: Independent Director ***Date of birth:*** April 21, 1961 ***Address***: 1602, Satguru Sharan I, Chaphekar Bandu Marg, Mulund (East), Mumbai – 400 081, Maharashtra, India ***Occupation***: Professional ***Current term:*** Five (5) years from February 1, 2020 ***Period of Directorship***: Since February 1, 2020 ***DIN***: 00092245	62	• Bodal Chemicals Limited • Arkade Developers Limted
Hasmukh Dedhia ***Designation***: Independent Director ***Date of birth:*** June 21, 1955 ***Address***: 1205, Shree Yogeshwar CHS, R. B. Marg, Ghodapdeo Cross Lane, Mumbai - 400 033 Maharashtra, India	68	Nil

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
Occupation: Professional ***Current term:*** Five (5) years from June 1, 2021 ***Period of Directorship***: Since June 1, 2021 ***DIN***: 07510925		

Brief profiles of our Directors:

Jagdish Dedhia, aged 62 years is one of the Promoters of our Company and is designated as Chairman & Whole-time Director on the Board of our Company. He was appointed on the Board of our Company on April 12, 1990. He holds a bachelors' degree in Science from the Bombay University. He has more than three decades of experience in the plastic industry. He has played a pivotal role in our Company and has been instrumental in identification, negotiation and implementation of new business opportunities.

Sanjay Dedhia, aged 52 years is one of the Promoters of our Company and is designated as Joint Managing Director on the Board of our Company. He was appointed on the Board of our Company since July 15, 1993. He has completed Diploma in Chemical Engineering from the Board of Technical Examination, Maharashtra. He has more than two decades of experience in the plastic industry. He looks after sales and business development for our Company.

Manish Dedhia, aged 46 years is one of the Promoters of our Company and is designated as Joint Managing Director on the Board of our Company. He was appointed on the Board of our Company since April 1, 1997. Further, he was given an additional position of CFO in our Company w.e.f. May 1, 2016. He holds a bachelor's degree in Commerce from Commercial University Limited, Delhi. He has more than two decades of experience in the plastic industry. He looks after overall finance and business development for our Company.

Dilip Gosar, aged 56 years, is an Independent Director of our Company. He was appointed on the Board of our Company w.e.f. June 13, 2016. He holds a bachelors' degree in commerce from the University of Mumbai and also a member of the Institute of Chartered Accountants of India. He is practising Chartered Accountant since 1993.

Neha Huddar, aged 62 years, is an Independent Director of our Company. She was appointed on the Board of our Company w.e.f. February 1, 2020. She holds a bachelors' degree in commerce from the University of Mumbai and also a member of the Institute of Chartered Accountants of India. She has over thirty-four (34) years of experience in finance, compliance & accounts. She has also worked with Reliance Foundation, Thirumalai Chemicals Limited and Ultramarine and Pigments Limited.

Hasmukh Dedhia, aged 68 years, is an Independent Director of our Company. He was appointed on the Board of our Company w.e.f. June 1, 2021. He is a member of the Institute of Chartered Accountants of India. Currently, he is a partner in KKC & Associates LLP.

CONFIRMATIONS

As on the date of this Draft Letter of Offer

1. **Relationship between our Directors**
   Except as mentioned below, none of our Directors are related to each other:

   - Manish Dedhia and Sanjay Dedhia are cousins of Jagdish Dedhia.
   - Manish Dedhia and Sanjay Dedhia are brothers.

2. None of our Directors have been nominated, appointed or selected pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

3. Our Executive Directors have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Executive Directors is entitled to any benefit upon termination of employment or superannuation.

4. None of our Directors have been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

5. None of our Directors have been identified as Wilful Defaulter or a Fraudulent Borrower, as defined under as defined under the SEBI ICDR Regulations.

6. Our Directors are not, and have not, during the five years preceding the date of this Draft Letter of Offer, been on our board of any listed company whose shares have been or were suspended from being traded on the BSE or NSE during their term of directorship in such company.

7. None of our Directors have been or are directors on our board of listed companies which have been or were delisted from any stock exchange(s) during their term of directorship in such company.

Corporate Governance

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance are applicable to us.

Our Company is in compliance with the requirements of corporate governance in accordance with the SEBI Listing Regulations and the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Committees of our Board of Directors

In addition to the committees of our Board of Directors detailed below, our Board of Directors may, from time to time constitute committees for various functions.

Audit Committee

The Audit Committee was re-constituted by a meeting of our Board held on May 27, 2021. The members of the Audit Committee are:

Name of Director	Position in the Committee	Designation
Dilip Gosar	Chairman	Independent Director
Manish Dedhia	Member	Joint Managing Director
Neha Huddar	Member	Independent Director
Hasmukh Dedhia	Member	Independent Director

The Company Secretary of our Company shall serve as the secretary of the Audit Committee. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The terms of reference of the Audit Committee are as follows:

The scope of Audit Committee shall include but shall not be restricted to the following:

1. To oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment, terms of appointment, removal, fixation of audit fee and also approval for payment for any other services.
3. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a. 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;
b. Changes, if any, in accounting policies and practices and reasons for the same;
c. Major accounting entries involving estimates based on the exercise of judgment by management;
d. Significant adjustments made in the financial statements arising out of audit findings;
e. Compliance with listing and other legal requirements relating to financial statements;
f. Disclosure of any related party transactions;

4. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. 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 / 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;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. 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;
16. 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;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Management letters / letters of internal control weaknesses issued by the statutory auditors;
21. Internal audit reports relating to internal control weaknesses; and
22. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
23. Statement of deviations:
    a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of regulation 32(1).
    b. Annual statement of funds utilized for purposes other than those stated in the offer document/notice in terms of regulation 32(7).
24. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers."

Management letters / letters of internal control weaknesses issued by the statutory auditors

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was re-constituted by a meeting of our Board held on May 27, 2021. The members of the Nomination and Remuneration Committee are:

Name of Director	Position in the Committee	Designation
Dilip Gosar	Chairman	Independent Director
Neha Huddar	Member	Independent Director
Hasmukh Dedhia	Member	Independent Director

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

1. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director and recommend to the Board, policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2. To identify 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;
3. To formulate the criteria for evaluation of the Independent Directors and the Board;
4. To devise a policy on Board diversity.
5. To determine 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.
6. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
7. and to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was re-constituted by a meeting of our Board held on May 27, 2021. The members of the Stakeholders' Relationship Committee are:

Name of Director	Position in the Committee	Designation
Dilip Gosar	Chairman	Independent Director
Manish Dedhia	Member	Joint Managing Director
Neha Huddar	Member	Independent Director
Hasmukh Dedhia	Member	Independent Director

The Company Secretary of our Company acts as the Secretary to the Committee. The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. Stakeholders' Relationship Committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

a) Allotment and listing of shares in future;
b) Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates, general meetings;
c) Review of measures taken for effective exercise of voting rights by shareholders;
d) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
e) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company;
f) Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
g) Reference to statutory and regulatory authorities regarding investor grievances
h) And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers;

Corporate Social Responsibility Committee

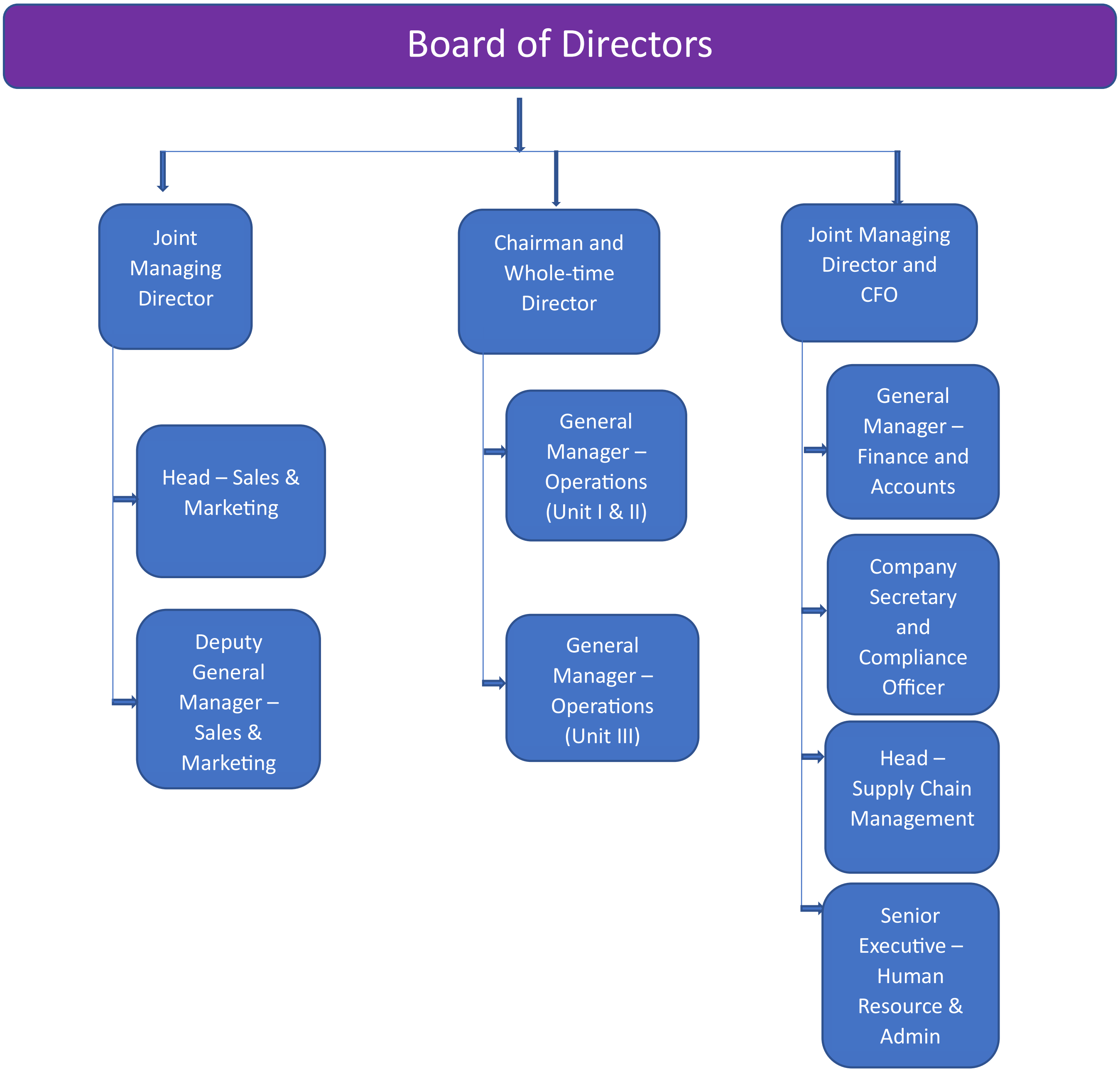
The Corporate Social Responsibility Committee was constituted by a meeting of our Board held on August 7, 2020. The members of the Corporate Social Responsibility Committee are:

Name of Director	Position in the Committee	Designation
Manish Dedhia	Chairman	Joint Managing Director
Jagdish Dedhia	Member	Chairman and Whole-time Director
Dilip Gosar	Member	Independent Director
Neha Huddar	Member	Independent Director

The scope and functions of the Corporate Social Responsibility Committee of our Company are in accordance with Section 135 of the Companies Act, 2013 and the applicable rules thereunder, and have been set out below:

(a) To frame the CSR Policy and its review from time- to-time;
(b) To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget;
(c) To ensure compliance with the laws, rules & regulations governing the CSR and to periodically report to the Board of Directors; and
(d) to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

Management organization chart



Key Management Personnel

The details of Key Managerial Personnel of our Company is given below:

Jagdish Dedhia is the Chairman and Whole-time Director of our Company. For details, please see "Our Management-*Board of Directors*" on page 101. For details of compensation paid to him during Financial Year 2023, please see "*Financial Information*" on page 114.

Sanjay Dedhia is the Joint Managing Director of our Company. For details, please see "Our Management-*Board of Directors*" on page 101. For details of compensation paid to him during Financial Year 2023, please see "*Financial Information*" on page 114.

Manish Dedhia is the Joint Managing Director and Chief Financial Officer of our Company. For details, please see "Our Management-*Board of Directors*" on page 101. For details of compensation paid to him during Financial Year 2023, please see "*Financial Information*" on page 114.

Ankita Bhanushali aged 30 years, is the Company Secretary and Compliance Officer of our Company. She has been appointed as Company Secretary and Compliance Officer of our Company with effect from November 10, 2022. She holds a bachelor's degree in commerce from University of Mumbai and she is a member of Institute of Company Secretaries of India. She has more than six (6) years of experience (including apprenticeship) in secretarial duties and compliances. She is currently responsible to handle secretarial compliances of our Company. She was paid a remuneration of ₹ 2.11lakhs in Financial Year 2023.

Status of Key Managerial Personnel

All the Key Managerial Personnel are permanent employees of our Company.

Relationship amongst the Key Management Personnel

Except as stated below, none of the KMP's are related to each other.

- Mr. Manish Dedhia and Mr. Sanjay Dedhia are cousins of Mr. Jagdish Dedhia.
- Mr. Manish Dedhia and Mr. Sanjay Dedhia are brothers.

Shareholding of the Key Management Personnel

None of our Key Managerial Personnel holds any shares of our Company as on the September 30, 2023 being closer to the date of this Draft Letter of Offer except as mentioned below:

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of pre-Issue Capital (%)
1.	Jagdish Dedhia	12,67,092	10.50
2.	Sanjay Dedhia	12,71,922	10.54
3.	Manish Dedhia	16,74,720	13.87

OUR PROMOTERS AND PROMOTER GROUP

Our Promoters

The Promoters of our Company are Jagdish Dedhia, Sanjay Dedhia and Manish Dedhia.

As on September 30, 2023, being the date closer to date of this Draft Letter of Offer, our Promoters, in aggregate, holds 42,13,734 Equity Shares in our Company, representing 34.91% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of shareholding of the Promoters in our Company, please see "*Capital Structure – Build-up of the equity shareholding of our Promoters in our Company*" beginning on page 56.

A. Details of our Promoters are as follows:

Jagdish Dedhia

Jagdish Dedhia, aged 62 years, is one of our Promoters and is also the Chairman and Whole-time Director on our Board. For the complete profile of Jagdish Dedhia, i.e., his date of birth, personal address, educational qualifications, professional experience, positions / posts held in the past and other directorships, special achievements, business and other activities, please see "*Our Management*" on page 101.

His permanent account number is AABPD4018J.

Sanjay Dedhia

Sanjay Dedhia, aged 52 years, is one of our Promoters and is also the Joint Managing Director on our Board. For the complete profile of Sanjay Dedhia, i.e., his date of birth, personal address, educational qualifications, professional experience, positions / posts held in the past and other directorships, special achievements, business and other activities, please see "*Our Management*" on page 101.

His permanent account number is AABPD5744K.

Manish Dedhia

Manish Dedhia, aged 46 years, is one of our Promoters and is also the Joint Managing Director on our Board. For the complete profile of Manish Dedhia, i.e., his date of birth, personal address, educational qualifications, professional experience, positions / posts held in the past and other directorships, special achievements, business and other activities, please see "*Our Management*" on page 101.

His permanent account number is AACPD6549F.

Our Company confirms that the permanent account number, bank account numbers, passport number, aadhar card number and driving license number of our Promoters, shall be submitted to Stock Exchanges at the time of filing of this Draft Letter of Offer.

Change in management and control of our Company

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Letter of Offer.

Confirmations

Our Promoters and members of our Promoter Group have not been declared wilful defaulters or fraudulent borrowers as applicable, as defined under the SEBI ICDR Regulations.

Our Promoters and members of our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been 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 or any other regulatory or governmental authority.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act.

Our Company does not have formal dividend policy. The quantum of dividend, if any, and our ability to pay dividend will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the financial year and profit available for distribution, working capital requirements, business expansion and growth, cost of borrowing, economic environment, capital markets, and other factors considered by our Board. Our Company may also, from time to time, pay interim dividends. We may retain all our future earnings, if any, for use in the operations and expansion of our business.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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FINANCIAL INFORMATION

gokhale & sathe
(regd.)
chartered accountants

304/308/309, udyog mandir no 1,
7-c, bhagoji keer marg,
mahim, mumbai 400 016.

INDEPENDENT AUDITORS' EXAMINATION REPORT ON THE STANDALONE RESTATED FINANCIAL INFORMATION

Date: 30 October 2023

The Board of Directors,
Mitsu Chem Plast Limited

Madam/Sir,

1. We have examined the Restated Standalone Financial Information of Mitsu Chem Plast Limited (the "Company") which comprises of Restated Standalone Statement of Assets and Liabilities as at 30 September 2023, 31 March 2023 and 31 March 2022, the Restated Standalone Statement of Profit and Loss, Restated Standalone Statement of Changes in Equity and the Restated Standalone Statement of Cash Flows for the half year ended on 30 September 2023 and year ended on 31 March 2023 and 31 March 2022, Significant Accounting Policies and other explanatory information (together referred as "Restated Standalone Financial Information") prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) (Amendment) Rules, 2015 amended from time to time and other relevant provisions of the Act and annexed to this report for the purpose of inclusion in the Letter of Offer (the "Offer Document"), prepared by the Company in connection with its proposed right issue of its equity shares This restated financial information has been prepared by the Company and approved by the Board of Directors of the Company at its meeting held on 30 October 2023 and have been prepared by the Company in accordance with the applicable requirements of:

   a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time ("ICDR Regulations"); and
   b. 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").

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

tel.: (022) 43484242 | office@gokhalesathe.in

BOARD OF DIRECTORS' RESPONSIBILITY FOR THE RESTATED STANDALONE FINANCIAL STATEMENTS

2. The Company's Board of Directors is responsible for the preparation of the Restated Standalone Financial Information for the purpose of inclusion in the offer document to be filed with the Securities and Exchange Board of India (SEBI), BSE Limited (BSE) and the Registrar of Companies, in connection with the proposed rights issue. The restated Standalone financial information has been prepared by the management of the Company on the basis of preparation and presentation mentioned in "Significant Accounting Policies" included in the Restated Financial Information. The Board of Directors of the Company is responsible for designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

AUDITORS' RESPONSIBILITY

3. We have examined such Restated Standalone Financial Information taking into consideration:

   a. The terms of reference and terms of our engagement agreed upon with you in connection with the proposed Right Issue of Equity Shares of the Company.
   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 Financial Information; and
   d. the applicable requirements of the SEBI 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 Proposed Right Issue.

4. **Restated Standalone Financial Information have been complied by the management of the company from:**

   a. Unaudited Standalone Financial Statements of the company as at and for the half year ended on 30 September 2023 approved by the Board of Directors in their meeting held on 30 October 2023.
   b. Audited Standalone Financial Statements of the company as at and for the year ended on 31 March 2023 approved by the Board of Directors in their meeting held on 15 May 2023.; and
   c. Audited Standalone Financial Statements of the company as at and for the year ended on 31 March 2022 approved by the Board of Directors in their meeting held on 30 April 2022

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) (Amendment) Rules, 2015 amended from time to time and other relevant provisions of the Act, which have been audited/reviewed by us as may be applicable.

5. **For the purpose of our examination, we have relied on:**

   a. Independent Auditors' Limited Review Report issued by us dated 30 October 2023 on the Standalone financial statements of the Company as at and for the half year ended on 30 September 2023 as referred in paragraph 4 above.
   b. Independent Auditors' Report issued by us dated 15 May 2023 on the Standalone financial statements of the Company as at and for the year ended on 31 March 2023, as referred in paragraph 4 above; and
   c. Independent Auditors' Report issued by us dated 30 April 2022 on the Standalone financial statements of the Company as at and for the year ended on 31 March 2022, as referred in paragraph 4 above.

6. **Based on our examination and according to the information and explanations, we report that:**

   a. Restated Standalone Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2023 and 31 March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for half year ended on 30 September 2023.

   b. There are no qualifications in the auditors' report on the standalone audited financial statements of the Company as at and for the years ended on 31 March 2023 and 31 March 2022 and no modified review opinion for the half year ended 30 September 2023, which require any adjustments to the restated financial information.

   c. Restated Financial Information have been prepared in accordance with the Act, applicable ICDR Regulations and the Guidance Note.

7. The Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.

8. 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, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

10. Our report is intended solely for use of the management for inclusion in the offer document to be filed with the Securities and Exchange Board of India (SEBI), BSE Limited (BSE) and the Registrar of Companies, in connection with the proposed rights issue of Equity Shares of the Company. 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 hand it may come without our prior consent in writing.

For Gokhale & Sathe
Chartered Accountants,
Firm Reg. No.: 103264W

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

Tejas Parikh
Partner
M. No.: 123215
UDIN: 23123215BGQLIV4151
Place: Mumbai
Date : 30 October 2023

MITSU CHEM PLAST LIMITED
STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(All amounts in ₹ Lakhs, unless otherwise stated)

	Particulars	NOTE NO.	30.09.2023	31.03.2023	31.03.2022
ASSETS					
NON-CURRENT ASSETS					
(a)	Property, Plant and Equipment	3	7,243.46	7,175.62	6,186.31
(b)	Capital Work in Progress	3.1	1,122.34	986.00	21.88
(c)	Investment Property		-	-	-
(d)	Goodwill		-	-	-
(e)	Other Intangible Assets	4	34.63	37.59	43.48
(f)	Intangible Assets under development	4	-	-	-
(g)	Biological Assets other than bearer plants		-		
(h)	Financial Assets				
	(i) Investments	5	1.00	1.00	31.92
	(ii) Trade Receivables		-	-	-
	(iii) Loans		-	-	-
	(iv) Others financial assets	6	60.16	94.07	129.54
(i)	Deferred tax assets (Net)		-	-	-
(j)	Other non current assets	7	534.58	524.40	132.80
	TOTAL NON CURRENT ASSETS		**8,996.16**	**8,818.67**	**6,545.92**
CURRENT ASSETS					
(a)	Inventories	8	2,710.11	3,207.21	2,929.79
(b)	Financial Assets				
	(i) Investments		-	-	-
	(ii) Trade Receivables	9	4,775.86	4,721.95	4,144.95
	(iii) Cash & Cash Equivalents	10	6.37	10.36	213.64
	(iv) Bank balances other than (iii) above	11	0.18	0.18	0.18
	(v) Loans	12	17.78	16.64	15.75
	(vi) Other financial assets	6	366.53	319.36	245.01
(c)	Current Tax Assets (Net)	22	13.20	7.61	-
(d)	Other Current Assets	7	584.61	599.74	313.68
	TOTAL CURRENT ASSETS		**8,474.65**	**8,883.05**	**7,863.01**
TOTAL ASSETS			**17,470.80**	**17,701.71**	**14,408.93**
EQUITY					
(a)	Equity Share capital	13	1,207.26	1,207.26	1,207.26
(b)	Other Equity	14	5,295.72	5,035.04	3,884.48
	TOTAL EQUITY		**6,502.98**	**6,242.30**	**5,091.74**
LIABILITIES					
NON-CURRENT LIABILITIES					
(a)	Financial Liabilities				
	(i) Borrowings	15	3,773.00	3,764.21	2,855.08
	(ia) Lease Liabilities				
	(ii) Trade Payables		-	-	-
	(A) Total outstanding dues of Micro Enterprises and Small Enterprises				-
	(B) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		-		-
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-		
(b)	Provisions	17	-	-	-
(c)	Deferred Tax Liabilities (Net)	18(C)	552.27	532.43	553.59
(d)	Other non-current liabilities	19	42.64	163.08	60.28
	TOTAL NON CURRENT LIABILITIES		**4,367.90**	**4,459.73**	**3,468.95**
CURRENT LIABILITIES					
(a)	Financial Liabilities				
	(i) Borrowings	16	4,412.65	3,944.58	3,860.06
	(ia) Lease Liabilities				
	(ii) Trade payables				
	(A) Total outstanding dues of Micro Enterprises and Small Enterprises	20	162.20	144.97	159.06
	(B) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	20	1,246.82	2,211.15	1,259.87
	(iii) Other financial liabilities (other than those specified in item (B), to be specified)	21	81.53	25.09	21.11
(b)	Other Current Liabilities	19	306.07	282.50	207.58
(c)	Provisions	17	390.66	391.40	310.80
(d)	Current tax Liabilities (Net)	22	-	-	29.78
	TOTAL CURRENT LIABILITIES		**6,599.92**	**6,999.68**	**5,848.27**
TOTAL LIABILITIES			**10,967.82**	**11,459.40**	**9,317.22**
TOTAL EQUITY AND LIABILITIES			**17,470.80**	**17,701.71**	**14,408.93**

The accompanying notes 1 to 44 forms integral part of the Restated Financial Statements.

As per our report of even date attached
For Gokhale & Sathe
Chartered Accountants
FRN: 103264W

Tejas Parikh
(Partner)

Membership No. 123215

Place: Mumbai
Date: October 30, 2023

For Mitsu Chem Plast Limited

Sanjay Dedhia
Managing Director
DIN: 01552883

Manish Dedhia
(CFO)
DIN: 01552841

Ankita Bhanushali
Company Secretary

MITSU CHEM PLAST LIMITED
STATEMENT OF PROFIT AND LOSS AS RESTATED

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	NOTE NO.	30.09.2023	31.03.2023	31.03.2022
Continuing Operations				
I Revenue From Operations	23	15,550.26	30,897.46	25,771.71
II Other Income	24	49.57	35.53	114.78
III Total Income (I+II)		**15,599.83**	**30,932.98**	**25,886.49**
IV Expenses				
(a) Cost of Material Consumed	26	10,298.57	20,562.06	16,597.93
(b) Purchase of stock in trade		-	-	
(c) Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	27	75.34	(133.44)	(185.90)
(d) Employee Benefits Expenses	28	1,086.27	1,994.41	1,727.47
(e) Finance Cost	29	416.34	683.47	559.87
(f) Depreciation and Amortisation Expenses	30	288.21	527.96	481.58
(g) Other Expenses	31	3,044.78	5,815.17	5,064.58
Total Expenses		**15,209.50**	**29,449.62**	**24,245.53**
V Profit Before Exceptional and Extraordinary Items and Tax (III-IV)		390.33	1,483.35	1,640.96
VI Exceptional Income/Expenses			-	
VII Profit Before Tax (V-VI)		**390.33**	**1,483.35**	**1,640.96**
VIII Income Tax Expenses	18(D)			
(a) Current Tax		85.66	321.05	398.00
(a) MAT Credit		-	1.06	0.07
(a) Deferred Tax		19.83	(19.23)	92.90
IX Profit After Tax (VII-VIII)		**284.83**	**1,180.46**	**1,149.99**
X Other Comprehensive Income (OCI)				
Items that will not be reclassified to profit or loss				
Remeasurement benefit of defined benefit plans	25	-	(7.70)	1.29
Add/(Less) : Income tax expense on remeasurement benefit of defined benefit plans	18(C)	-	(1.94)	0.32
		-	(5.76)	0.97
Items that will be reclassified to profit or loss		-	-	
Total of other comprehensive Income		-	(5.76)	0.97
Total Comprehensive Income for the period		**284.83**	**1,174.70**	**1,150.97**
XI Earnings Per Equity Share (Amount in ₹)				
(a) Basic	32	**2.36**	**9.78**	**9.53**
(b) Diluted	32	**2.36**	**9.78**	**9.53**

The accompanying notes 1 to 44 forms integral part of the Restated Financial Statements.

As per our report of even date attached
For Gokhale & Sathe
Chartered Accountants
FRN: 103264W

Tejas Parikh
(Partner)

Membership No. 123215

Place: Mumbai
Date: October 30, 2023

GOKHALE & SATHE MUMBAI FIRM No. 103264W CHARTERED ACCOUNTANTS

For Mitsu Chem Plast Limited

Sanjay Dedhia
Managing Director
DIN: 01552883

MITSU CHEM PLAST LTD. 25920055

Manish Dedhia
(CFO)
DIN: 01552841

Ankita Bhanushali
Company Secretary

MITSU CHEM PLAST LIMITED
CASH FLOW STATEMENT AS RESTATED

(All amounts in ₹ Lakhs, unless otherwise stated)

	PARTICULARS	30.09.2023		31.03.2023		31.03.2022	
	CASH FLOW FROM OPERATING ACTIVITIES						
	Net profit before Tax		**390.33**		**1,483.35**		**1,640.96**
	Adjustment for Non-Cash and Non-operating Items						
Add:	Depreciation	288.21		527.96		481.58	
	Unrealised loss on MTM	-				-	
	Loss on Sale of Fixed Assets	1.05		0.00		-	
	Loss in Fair Value of Investments	-		1.42		-	
	Provision for doubtful debts / Advances	8.50		-		4.73	
	Interest Expense	392.15	689.90	633.38	1,162.76	483.06	969.35
Less:	Interest Income	12.32		27.19		25.55	
	Gain in Fair Value of Investments	-		-		-	
	Profit on Sale of Assets			-		3.47	
	Profit on Sale of Investments			-		19.80	
	Reversal of Provision for doubtful debts / Advances			3.42		-	
	Dividend Received		12.32	1.39	32.00	1.11	49.93
	Operating profits before working capital changes		1,067.91		2,614.12		2,560.38
	Changes in Working Capital & Operating Assets & liabilities						
Add:	Decrease in Assets & Increase in Liabilities						
	Trade Payables			937.18		366.18	
	Inventories	497.10					
	Other Non Current Liabilities					25.24	
	Other Current Liabilities	23.57		100.47		7.15	
	Short Term Provisions	-		40.72		5.88	
	Other Current Financial Liabilities	-		14.35		0.02	
	Short Term Loans & Advances			-		1.59	
	Other Current Financial Assets			-		1.33	
	Other Current Assets	15.04		-		-	
	Other Non Current Assets			-		131.48	
	Other Non Current Financial Assets			-		0	
	Long Term Provisions		535.72	-	1,092.72	-	538.85
Less:	Increase in Assets & Decrease in Liabilities						
	Inventories	-		277.42		676.80	
	Trade Receivables	62.41		573.58		1,234.53	
	Trade Payables	947.09		-		-	
	Short Term Loans & Advances	1.14		0.89		-	
	Other Current Assets			276.97		19.03	
	Long Term Provisions			-		1.48	
	Other Current Financial Assets			-		-	
	Short Term Provisions	(0.75)				-	
	Other Non Current Liabilities	-		18.24		-	
	Other Non Current Assets	10.19		0.06		-	
	Other Financial Assets	(2.49)		1.02		-	
	Other Non Current Financial Assets			-		-	
	Trade Payable					-	
	Short Term Provision					-	
	Unrealised loss on MTM						
	Other Current Liabilities		1,017.60	-	1,148.18	-	1,931.84
	Cash generated from operations (d+e-f)		586.02		2,558.64		1,167.39
Less:	Taxes paid		91.26		359.51		349.70
	NET CASH FLOW FROM OPERATNG ACTIVITIES (A)		**494.76**		**2,199.13**		**817.69**

As per our report of even date attached
For Gokhale & Sathe
Chartered Accountants
FRN: 103264W

Tejas Parikh
(Partner)

Membership No. 123215

Place: Mumbai
Date: October 30, 2023

For Mitsu Chem Plast Limited

Sanjay Dedhia
Managing Director
DIN: 01552883

Manish Dedhia
(CFO)
DIN: 01552841

Ankita Bhanushali
Company Secretary

MITSU CHEM PLAST LIMITED
CASH FLOW STATEMENT AS RESTATED

(All amounts in ₹ Lakhs, unless otherwise stated)

	PARTICULARS	30.09.2023		31.03.2023		31.03.2022	
	CASH FLOW FROM INVESTING ACTIVITIES						
Add:	Interest Income	12.32		27.19		25.55	
	Sale of Fixed Assets	0.52		0.80		7.96	
	Sale of Investments	-		30.91		65.01	
	Term Deposits (Net)	-				47.40	
	~~Dividend Received~~	-	12.84	1.39	60.30	1.11	147.04
Less:	Addition to Fixed Assets (Including WIP)	613.06		2,766.41		487.44	
	Investment in Subsidiary			-		1.00	
	Term Deposits (Net)	15.74		36.42		-	
	Purchase of Investments		628.80	-	2,802.82	-	488.44
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)		**(615.96)**		**(2,742.53)**		**(341.40)**
	CASH FLOW FROM FINANCING ACTIVITIES						
Add:	Increase in Long Term Borrowings (Net)	180.53		586.59		31.13	
	Increase in Short Term Borrowings (Net)	296.33		407.06		281.65	
	Proceeds received from Issue of Equity Shares	-	476.86	-	993.66	-	312.78
Less:	Dividend & DDT Paid	24.15		24.15		24.15	
	Decrease in Short Term Borrowings (Net)	-		-			
	Decrease in Long Term Borrowings (Net)	-		-			
	Expenses for issue of shares					-	
	Interest Paid	335.71	359.85	629.40	653.55	474.62	498.77
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)		**117.01**		**340.11**		**(185.99)**
	NET INCREASE / (DECREASE) IN CASH (A+B+C)		**(4.19)**		**(203.28)**		**290.30**
Add:	Cash & Cash Equivalent at the beginning of the year						
	Cash on Hand	0.91		1.21		1.65	
	Bank Balance	9.45	**10.36**	212.43	**213.64**	71.98	**73.64**
Less:	Cash & Cash Equivalent at the end of the year						
	Cash on Hand	1.08		0.91		1.21	
	Bank Balance	5.29	**6.37**	9.45	**10.36**	212.43	**213.64**

Notes :

1) The above Cash Flow Statement has been prepared under "Indirect Method" set out in Ind AS-7, issued by Institute of Chartered Accountants of India.
2) Previous year's figures have been regrouped and reclassified wherever necessary.
3) ~~The accompanying notes 1 to 44 forms integral part of the Restated Financial Statements.~~

As per our report of even date attached
For Gokhale & Sathe
Chartered Accountants
FRN: 103264W

Tejas Parikh
(Partner)

Membership No. 123215

Place: Mumbai
Date: October 30, 2023

GOKHALE & SATHE MUMBAI CHARTERED ACCOUNTANTS FIRM No. 103264W

For Mitsu Chem Plast Limited

Sanjay Dedhia
Managing Director
DIN: 01552883

Manish Dedhia
(CFO)
DIN: 01552841

MITSU CHEM PLAST LTD 25920055

Ankita Bhanushali
Company Secretary

MITSU CHEMPLAST LIMITED

NOTE : 1

Company overview

Mitsu Chem Plast Limited ("the Company") was incorporated in India in the year 23rd September 1988 having its registered office at Mumbai, Maharashtra.

The company is a leading manufacturer of a wide range of products in the blow molding, injection molding and customized molding (combination of processes) catering to specific customer needs. The Company carters to both domestic and international markets. The Equity Shares of the Company are listed on the Indian Stock Exchanges (Bombay Stock Exchange).

NOTE : 2

Significant accounting policies

Statement of compliance

AS per para 16 of Ind AS 1, the financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended.

2.1 Basis of Preparation of Financial Statements

Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013 including presentation and disclosure requirements of Division II of Schedule III of the Act as amended from time to time.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2023, the Statement of Profit and Loss for the year ended 31 March 2023, the Statement of Cash Flows for the year ended 31 March 2023 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as ' Financial Statements').

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The statement of cash flows have been prepared under indirect method.

The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest Lakh (INR 00,000) upto two decimals rupee, unless otherwise stated.

The financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for:

- Financial instruments – measured at fair value;
- Assets held for sale – measured at fair value less cost of sale;
- Plan assets under defined benefit plans – measured at fair value
- Employee share-based payments – measured at fair value
- Liability for cash settled - measured at fair value
- In addition, the carrying values of recognised assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.

2.2 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded
- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
- All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.

2.3 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments 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. Actual results could differ from those estimates.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company.

Following are the areas involving critical estimates and judgements

- Measurement of defined benefit obligations - Note 34
- Recognition of Deferred tax assets/liabilities - Note 18
- Current Tax Expenses and Current Tax Payable - Note 18
- Useful life of Intangible Assets – Note 4

2.4 Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

(A) Property, Plant and Equipment

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land held is stated in the balance sheet at cost less accumulated impairment losses if any.

The cost of acquired property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

The cost of a self-constructed asset comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, including relevant borrowing costs for qualifying assets including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs and estimated costs of dismantling and removing the item and restoring the site where it is located.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress"

Items of stores and spares that meet the definition of Property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

The Company follows Cost Model for measurement of items of Property Plant and Equipment and has not revalued any items of Property Plant and Equipment.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets"

Subsequent expenditure and componentization

Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation and useful life

Depreciation is provided on a pro-rata basis on the straight-line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013

Freehold land is not depreciated.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Derecognition

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

(B) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. Cost include acquisition and other incidental cost related to acquiring the intangible asset.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the statement of profit and loss. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

Intangible Assets which are not put into operations or which are not ready for its intended use as on the Balance Sheet Date are disclosed as "Intangible Assets under Development."

Subsequent Costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Useful life and amortization

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. Amortisation is recognised on a straight-line basis over the useful lives of the asset from the date of capitalisation as below:

- Computer software 5-10 years

The estimated useful life and amortization method is reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

Derecognition

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount and recognized in the Statement of Profit and Loss.

(C) Impairment

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets including Goodwill with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

If there is any indication that the impairment loss recognized in prior periods for an asset other than goodwill may no longer exist or have decreased, the Company shall estimate the recoverable value of such asset and shall recognize such asset at the recoverable amount. Any difference between the Current carrying value and recoverable amount shall be recognized as Gain in Other Income in the Statement of Profit and Loss.

(D) Inventories

Raw materials

Raw materials are stated at cost or Net Realizable Value whichever is lower. Raw Material cost is computed on FIFO basis. Cost of raw materials and traded goods comprises cost of purchases net of returns, GST and duties and other recoverable taxes.

Raw materials are not written below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of raw materials indicates that the cost of the finished products exceeds net realisable value, the raw materials are written down to net realizable value. In such circumstances, the replacement cost of the materials may be the best available measure of their net realisable value.

Work in progress and finished goods

Work in Progress and Finished Goods are valued at lower of cost or net realizable on FIFO basis.

Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure net of recoverable taxes. Fixed overheads are allocated on the basis of production of finished goods and semi-finished goods. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Stores and spares, Accessories and Packing Material

Inventory of stores and spare parts, accessories and packing materials are valued at cost or net realisable value, whichever is lower. The cost of Stores and Spares, accessories and packing material is computed on FIFO basis. Cost of stores and spares, accessories and packing material comprises cost of purchases net of discounts, rebates received, returns, GST and duties and other recoverable taxes.

Provisioning for Obsolete Items

Provisions are made for obsolete and non-moving inventories. Unserviceable and scrap items, when determined, are valued at estimated net realisable value.

(E) Non-current assets or disposal held for sale and discontinued operations

Non-current assets or disposal held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Such assets or disposal groups are classified only when both the conditions are satisfied –

- The sale is highly probable, and
- The asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Noncurrent assets or disposal group are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Upon classification, non-current assets or disposal group held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets which are subject to depreciation are not depreciated or amortized once those classified as held for sale.

Currently the Company does not have any Non-Current asset or Disposal held for sale

Discontinued Operation

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately as a single amount as profit or loss after tax from discontinued operational in the statement of profit and loss.

Currently, the Company does not have any discontinued operations.

(F) Revenue recognition

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. Export incentives are recognised as income as per the terms of the scheme in respect of the exports made and included as part of other operating revenue. Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

The Company recognizes revenue from goods sold and services rendered at Transaction Price which is the amount of consideration Company expects to be entitled to in exchange for transferring promised goods or services to a customer, excluding the amounts collected on behalf of third party. The Transaction price is net of discounts, sales incentives, rebates granted, returns, sales taxes, GST and duties and any other recoverable taxes.

Contract Liability

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration or is due from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Dividend and interest income

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income is accrued on a time basis, using 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.

Foreign exchange transaction and translation

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

Foreign currency transactions are recorded into the functional currency using the exchange rates at the dates of the transactions. Monetary balances arising from the transactions denominated in foreign currency are translated to functional currency using the exchange rate as on the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and any gains or loss on such translation, are generally recognised in profit or loss except to the extent of exchange differences which are regarded as an adjustment to the interest cost on foreign currency borrowings that are directly attributable to the acquisition or construction of the qualifying assets which are capitalized as a part of the cost of the asset.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction and are not revalued. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively). In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognised. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

(G) Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received. Grants related to income are presented as part of profit or loss, either separately or under a general heading such as 'Other income' or "Other Operating Income".

Government grants, whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets and non-monetary grants are reduced from the carrying amount of such asset and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets as a reduction of depreciation charged.

When the conditions relating to the government assistance are not fulfilled, it leads to reversal of government grant which was accounted previously. When the government grant received is accounted under asset, then at the time of reversal it should be added back to the cost. If the government grant received is credited in the Statement of Profit and Loss, then it should be expensed in the year of reversal.

(H) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax Assets or Liabilities are measured at the amount expected to be recovered from or paid to Income Tax Authorities based on the tax rates and laws that are enacted or substantially enacted as at the balance sheet date.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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 difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(I) Borrowing costs

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalised as part of such assets. A qualifying asset is one that necessarily takes substantial period to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

(J) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions for restructuring are recognised by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Provisions are measured at 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. When a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is the present value of those cash flows (when the effect of the time value of money is material) and increase in the provision due to passage of time is recognized as a Finance Cost in the Statement of Profit and Loss. The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

(K) Employee benefits

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences, post-retirement medical benefits and other terminal benefits.

Short-term employee benefits

Wages and salaries, including non-monetary benefits that are expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense in Employee Benefit Expenses in the Statement of Profit and Loss during the period when the employees render the services.

Post-employment benefits

Defined contribution plan

Employee Benefit under defined contribution plans comprises of Contributory provident fund etc. is recognized based on the undiscounted amount of obligations of the Company to contribute to the plan. The same is paid to a fund administered through a separate trust. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

Defined benefit plan

Defined benefit plans comprising of gratuity is recognized based on the present value of defined benefit obligations which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(L) Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

Financial assets

Recognition and initial measurement

The Company initially recognises loans and advances, deposits and debt securities purchased on the date on which they originate. Purchases and sale of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

Classification of financial assets

On initial recognition, a financial asset is classified to be measured at –

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) – debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Subsequent Measurement

a) Financial asset measured at Amortized cost

A financial asset is measured subsequently at amortised cost using EIR method less impairment if any, if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Amortization of EIR and loss arising from impairment if any, is recognized in the statement of profit and loss.

b) Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)

Financial asset, except trade receivables and contract assets that are measured at transaction price, is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

c) Financial Assets measured at Fair Value through Profit and Loss (FVTPL)

Financial asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

d) Investment in Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any).

e) Other Equity Instruments

All other equity investments in scope of IND AS 109 are measured at fair value through Profit and Loss except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, on sale/disposal the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Trade receivables and contract assets are recognized at Transaction Price which is the amount of consideration Company expects to be entitled to in exchange for transferring promised goods or services to a customer, excluding the amounts collected on behalf of third party. The Transaction price is net of discounts, sales incentives, rebates granted, returns, sales taxes, GST and duties and any other recoverable taxes. Where trade receivables contain a significant financing component, then they are recognized at discounted transaction price using EIR. Unwinding of such discount is recognized as Other Income in the Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognised in statement of profit or loss. The net gain or loss recognised in statement of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Derecognition of financial assets

The Company derecognises 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 or it neither transfers or retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset..

Impairment

The Company applies the expected credit loss model for recognising impairment loss on financial assets other than those measured at Fair Value through Profit and Loss (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 Company in accordance with the contract and all the cash flows that the Company 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-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company 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. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines a the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company 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 Company 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.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company 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.

Effective interest rate method

The effective interest rate method is a method of calculating the amortised cost of a debt instrument and 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.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL and Interest income is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a company 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.

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 the Company are recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or 'FVTPL'.

A Financial Liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that contract basis; or
- It forms part of a containing one or more embedded derivatives, and IND AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with IND AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(M)Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

(N) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options and buyback of ordinary shares are recognized as a deduction from equity, net of any tax effects.

(O) Segments reporting

The Company is engaged in the business of Injection Molding and Blow Molding plastic articles such as Industrial containers, Healthcare furniture, and automotive components. There is no separate reportable segment in terms of IND AS-108 and hence there is no requirement of segment reporting.

(P) Earnings per share

Basic earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share

Diluted earnings per share is computed by dividing the profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

(Q) Events after reporting period

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are approved by the Board of Directors in case of a company, and, by the corresponding approving authority in case of any other entity for issue. Two types of events can be identified:

- those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).

The Company adjusts the amounts recognised in its financial statements to reflect adjusting events after the reporting period.

The Company does not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting period.

(T) Contingent assets and Contingent Liabilities

Contingent Liability is:

- a possible obligation 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; or
- a present obligation that arises from past events but is not recognized because:
    - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
    - the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize Contingent Liabilities in the books of accounts and such Contingent Liabilities are disclosed as part of notes forming Financial Statements except where an outflow of resources embodying economic benefits becomes probable, except in the extremely rare circumstances where no reliable estimate can be made.Contingent Liabilities are assessed continuously to determine whether an outflow of resourses embodying economic benefits has become probable.

Contingent Asset

- is a possible asset 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.

The Company does not recognize contingent assets in the books of accounts except where the realization of Income becomes virtually certain and where such asset no longer remains contingent. The Company discloses Contingent Assets as part of notes forming Financial Statements when an inflow of economic benefits is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements.

(U) Standards Applicable but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2023 on 31st March, 2023. The amendments have been made in the following standards:

- Ind AS 1: Presentation of Financial Statements is amended to replace the term "significant accounting policies" with "material accounting policy information" and providing guidance relating to immaterial transactions, disclosure of entity specific transactions and more.

- Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors to include the definition of accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty."

- Ind AS 12: Income Taxes relating to initial recognition exemption of deferred tax related to assets and liabilities arising from a single transaction.

- Other Amendments in Ind AS 102 – Share based Payments, Ind AS 103 – Business Combinations, Ind AS 109 – Financial Instruments, Ind AS 115 – Revenue from Contracts with Customers which are mainly editorial in nature in order to provide better clarification of the respective Ind AS's.

- These amendments shall come into force with effect from April 01, 2023. The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.

MITSU CHEM PLAST LIMITED

OTHER NOTES TO FINANCIAL STATEMENTS

Financial year 23-24

NOTE 3

Property, Plant and Equipment^

(₹ in Lakh)

Particulars	Freehold Land	Leasehold Land	Buildings^	Plant and Equipment#	Moulds	Servers & Computers	Vehicles	Furniture & Fixtures	Capital WIP@	Total
Original Cost As On 01-04-22	252.58	52.22	2,897.35	4,503.39	903.21	75.77	284.32	211.54	21.88	9,202.24
Additions	-	-	231.54	1,016.81	264.43	6.26	-	19.51	2,090.82	3,629.37
Deductions	-	-	-	27.48	0.47	-	-	-	1,126.70	1,154.65
Original Cost As On 31-03-23	252.58	52.22	3,128.89	5,492.72	1,167.17	82.03	284.32	231.05	986.00	11,676.97
Additions	-	-	127.61	129.69	71.69	2.67	-	23.05	351.26	705.96
Deductions –	-	-	-	4.19	-	-	-	-	214.92	219.11
Original Cost As On 30-09-23	252.58	52.22	3,256.50	5,618.21	1,238.85	84.70	284.32	254.10	1,122.34	12,163.81
Depreciation Fund As On 01-04-2022	-	11.69	573.81	1,729.50	356.06	54.08	163.22	105.70	-	2,994.06
Charged During The Year	-	0.26	88.25	327.13	58.11	9.71	20.60	17.74	-	521.80
Deductions/Transfer	-	-	-	0.73	-	-	-	-	-	0.73
Depreciation Fund As On 31-03-2023	-	11.96	662.06	2,055.90	414.17	63.79	183.82	123.43	-	3,515.13
Charged During The Year	-	0.52	47.70	180.34	34.29	4.19	10.27	8.20	-	285.51
Deductions/Transfer	-	-	-	2.62	-	-	-			2.62
Depreciation Fund As On 30-09-2023	-	12.47	709.76	2,233.61	448.46	67.98	194.09	131.63	-	3,798.01
Wdv As On 30-09-2023	**252.58**	**39.75**	**2,546.73**	**3,384.60**	**790.39**	**16.72**	**90.22**	**122.47**	**1,122.34**	8,365.80
Wdv As On 31-03-2023	252.58	40.26	2,466.83	3,436.82	753.00	18.24	100.49	107.62	986.00	8,161.83

NOTE 4

Other Intangible Assets

(₹ in Lakh)

Particulars	Computer Software	Intangible Asset under Developments	Total
Original Cost As On 01-04-22	61.81	-	61.81
Additions	-	-	-
Deductions	-	-	-
Original Cost As On 31-03-23	61.81	-	61.81
Additions	-	-	-
Deductions	-	-	-
Original Cost As On 30-09-23	61.81	-	61.81
Depreciation Fund As On 01-04-2022	18.32	-	18.32
Charged During The Year	5.90		5.90
Deductions/Transfer	-	-	-
Depreciation Fund As On 31-03-2023	24.22	-	24.22
Charged During The Year	2.96		2.96
Deductions/Transfer	-	-	-
Depreciation Fund As On 30-09-2023	27.18	-	27.18
Wdv As On 31-03-2024	**34.63**	-	34.63
Wdv As On 31-03-2023	37.58	-	37.58

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Financial year 22-23

NOTE 3

Property, Plant and Equipment^

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Freehold Land	Leasehold Land	Buildings*	Plant and Equipment#	Moulds	Servers & Computers	Vehicles	Furniture & Fixtures	Capital WIP@	Total
Original Cost As On 01-04-21	252.58	52.22	2,877.22	4,090.02	791.25	67.78	231.59	149.63	68.72	8,581.01
Additions	-	-	20.13	420.00	119.59	7.99	52.73	61.91	244.35	926.69
Deductions	-	-	-	6.63	7.63	-	-	-	291.19	305.45
Original Cost As On 31-03-22	252.58	52.22	2,897.35	4,503.39	903.21	75.77	284.32	211.54	21.88	9,202.24
Additions	-	-	231.54	1,016.81	264.43	6.26	-	19.51	2,090.82	3,629.37
Deductions –	-	-	-	27.48	0.47	-	-	-	1,126.70	1,154.65
Original Cost As On 31-03-23	252.58	52.22	3,128.89	5,492.72	1,167.17	82.03	284.32	231.05	986.00	11,676.97
Depreciation Fund As On 01-04-2021	-	11.17	487.48	1,437.00	314.80	43.61	145.17	88.86	-	2,528.09
Charged During The Year	-	0.52	86.33	295.94	47.59	10.48	18.05	16.84	-	475.74
Deductions/Transfer	-	-	-	3.44	6.33	-	-	-	-	9.77
Depreciation Fund As On 31-03-2022	-	11.69	573.81	1,729.50	356.06	54.08	163.22	105.70	-	2,994.06
Charged During The Year	-	0.52	88.25	327.13	58.11	9.71	20.60	17.74	-	522.06
Deductions/Transfer	-	-	-	0.73	-	-	-	-	-	0.73
Depreciation Fund As On 31-03-2023	-	12.21	662.06	2,055.90	414.17	63.79	183.82	123.43	-	3,515.38
Wdv As On 31-03-2023	252.58	40.01	2,466.831	3,436.82	753.00	18.24	100.49	107.62	986.00	8,161.62
Wdv As On 31-03-2022	252.58	40.52	2,323.54	2,773.89	547.15	21.68	121.09	105.84	21.88	6,208.18

* Building Includes Office Premises and Residential Flats of the Company

\# Plant & Equipments Includes Office Equipments & Electric fittings

^ Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note 15 & 16

NOTE 3.1

CWIP Aging

(All amounts in ₹ Lakhs, unless otherwise stated)

CWIP as on 31.03.2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	973.89	12.11	-	-	986.00
Projects temporarily suspended	-	-	-	-	-

NOTE 4

Other Intangible Assets

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Computer Software	Intangible Asset under Developments	Total
Original Cost As On 01-04-21	59.58	-	59.58
Additions	2.23	-	2.23
Deductions	-	-	-
Original Cost As On 31-03-22	61.81	-	61.81
Additions	-	-	-
Deductions	-	-	-
Original Cost As On 31-03-23	61.81	-	61.81
Depreciation Fund As On 01-04-2021	12.48	-	12.48
Charged During The Year	5.84	-	5.84
Deductions/Transfer	-	-	-
Depreciation Fund As On 31-03-2022	18.32	-	18.32
Charged During The Year	5.90	-	5.90
Deductions/Transfer	-	-	-
Depreciation Fund As On 31-03-2023	24.22	-	24.22
Wdv As On 31-03-2023	37.59	-	37.59
Wdv As On 31-03-2022	43.48	-	43.48

Financial year 21-22

NOTE 3

Property, Plant and Equipment^

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Freehold Land	Leasehold Land	Buildings*	Plant and Equipment#	Moulds	Servers & Computers	Vehicles	Furniture & Fixtures	Capital WIP	Total
Original Cost As On 01-04-20	252.58	52.22	2,853.45	3,639.95	777.25	60.45	231.59	145.66	1.11	8,014.26
Additions	-	-	23.77	452.73	38.05	7.33	-	3.97	162.92	688.78
Deductions	-	-	-	2.66	24.05	-	-	-	95.31	122.03
Original Cost As On 31-03-21	252.58	52.22	2,877.22	4,090.02	791.25	67.78	231.59	149.63	68.72	8,581.01
Additions	-	-	20.13	420.00	119.59	7.99	52.73	61.91	244.35	926.69
Deductions	-	-	-	6.63	7.63	-	-	-	291.19	305.45
Original Cost As On 31-03-22	252.58	52.22	2,897.35	4,503.39	903.21	75.77	284.32	211.54	21.88	9,202.25
Depreciation Fund As On 01-04-2020	-	10.65	401.98	1,170.15	276.02	34.85	125.92	76.80	-	2,096.37
Charged During The Year	-	0.52	85.50	267.40	42.63	8.76	19.25	12.06	-	436.12
Deductions/Transfer	-	-	-	0.55	3.85	-	-	-	-	4.40
Depreciation Fund As On 31-03-2021	-	11.17	487.48	1,437.00	314.80	43.61	145.17	88.86	-	2,528.09
Charged During The Year	-	0.52	86.33	295.94	47.59	10.48	18.05	16.84	-	475.74
Deductions/Transfer	-	-	-	3.44	6.33	-	-	-	-	9.77
Depreciation Fund As On 31-03-2022	-	11.69	573.81	1,729.50	356.06	54.09	163.22	105.70	-	2,994.06
Wdv As On 31-03-2022	252.58	40.52	2,323.54	2,773.89	547.15	21.67	121.09	105.84	21.88	6,208.18
Wdv As On 31-03-2021	252.58	41.04	2,389.74	2,653.02	476.45	24.17	86.42	60.77	68.72	6,052.92

* Building Includes Office Premises and Residential Flats of the Company

Plant & Equipments Includes Office Equipments & Electric fittings

^ Certain property, plant and equipment are pledged against borrowings, the details relating to which have been described in Note 15 & 16

NOTE 3.1

CWIP Aging

(All amounts in ₹ Lakhs, unless otherwise stated)

CWIP as on 31.03.2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	21.88	-	-	-	21.88
Projects temporarily suspended	-	-	-	-	-

NOTE 4

Other Intangible Assets

(All amounts in ₹ Lakhs, unless otherwise stated)

Particulars	Computer Software	Intangible Asset under	Total
Original Cost As On 01-04-20	17.90	39.71	57.61
Additions	41.67	0.87	42.55
Deductions	-	40.58	40.58
Original Cost As On 31-03-21	59.57	-	59.58
Additions	2.23	-	2.23
Deductions	-	-	-
Original Cost As On 31-03-22	61.80	-	61.81
Depreciation Fund As On 01-04-2020	7.10	-	7.10
Charged During The Year	5.38	-	5.38
Deductions/Transfer	-	-	-
Depreciation Fund As On 31-03-2021	12.48	-	12.48
Charged During The Year	5.84	-	5.84
Deductions/Transfer	-	-	-
Depreciation Fund As On 31-03-2022	18.32	-	18.32
Wdv As On 31-03-2022	43.48	-	43.48
Wdv As On 31-03-2021	47.09	-	47.09

MITSU CHEM PLAST LIMITED
OTHER NOTES TO FINANCIAL STATEMENTS

NOTE 5
Investments

(Shares in Numbers & ₹ in Lakh)

Sr. No.	PARTICULARS	Paid up Value	30.09.2023		31.03.2023		31.03.2022	
			No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
(A)	**Non Current Investments in Equity Instruments**							
1	**Equity Instrument of Subsidairies Companies**							
	Unquoted Investments							
	Mitsu Foundation	Rs. 10 each, Fully Paid	10,000.00	1.00	10,000.00	1.00	10,000.00	1.00
2	**Equity Securities of other Companies**							
	Quoted Investments							
	Ashok Leyland Ltd.	Rs. 1 each	-	-	-	-	-	-
	Alok Industries Ltd	Rs. 10 each	-	-	-	-	-	-
	Bayer Cropscience Ltd	Rs. 10 each	-	-	-	-	-	-
	Sumitomo Chemicals Limited	Rs. 10 each	-	-	-	-	-	-
	Fortis Healthcare India Ltd	Rs. 10 each	-	-	-	-	-	-
	Galaxy Surfactants Ltd	Rs. 10 each	-	-	-	-	-	-
	Gillette India Ltd	Rs. 10 each	-	-	-	-	-	-
	Godrej Industries Ltd	Rs. 1 each	-	-	-	-	-	-
	Hindalco Ltd	Rs. 1 each	-	-	-	-	-	-
	India Cements Ltd	Rs. 10 each	-	-	-	-	-	-
	Infosys Technologies Ltd ^	Rs. 5 each	-	-	-	-	-	-
	Jaiprakash Associates Ltd	Rs. 2 each	-	-	-	-	-	-
	Larsen & Toubro Ltd	Rs. 2 each	-	-	-	-	-	-
	Medico Remedies Limited	Rs. 10 each						
	MOIL Ltd	Rs. 10 each	-	-	-	-	-	-
	Network 18 Media & Investments Ltd	Rs. 5 each	-	-	-	-	-	-
	Power Grid Corporation of India Ltd	Rs. 10 each	-	-	-	-	-	-
	Punj Lloyd Ltd	Rs. 2 each	-	-	-	-	-	-
	Reliance Industries Ltd	Rs. 10 each	-	-	-	-	-	-
	Shreeji Translogistics Ltd	Rs. 10 each	-	-	-	-	-	-
	Steel Authority of India Ltd	Rs. 10 each	-	-	-	-	-	-
	Sun Pharmaceuticals Ltd	Rs. 1 each	-	-	-	-	-	-
	Tata Motors Ltd	Rs. 2 each	-	-	-	-	-	-
	Tata Steels Ltd	Rs. 10 each	-	-	-	-	-	-
	S H Kelkar and Company Ltd	Rs. 10 each	-	-	-	-	-	-
	Time Technoplast Ltd	Rs. 1 each	-	-	-	-	-	-
	Chennai Super King Ltd	Rs. 1 each	50.00	-	50.00	-	50.00	0.00
	Relicab Cable Manufacturing Ltd	Rs. 10 each						
	Valiant Organics Ltd	Rs. 10 each	-	-	-	-	-	-
	Varroc Engineering Ltd	Rs. 1 each	-	-	-	-	-	-
	Yasho Industries Ltd	Rs. 10 each	-	-	-	-	-	-
(B)	**Investments in Mutual Funds & ETFs**							
	Quoted Investments							
	Nippon India Mutual Fund ETF Liquid BeEs*	Rs 1000 each	-	-	-	-	3,091.94	30.92
		TOTAL	**50.00**	**1.00**	**50.00**	**1.00**	**3,141.94**	**31.92**
	Aggregate Amount of Quoted Investments							30.92
	Market Value of Quoted Investments							30.92
	Aggregate Amount of Unquoted Investments			1.00		1.00		1.00
		TOTAL		**1.00**		**1.00**		**31.92**

* 3,002 units (P.Y. 3002 units) of "Nippon India Mutual Fund ETF Liquid BeEs" are pledged to the broker.

Investments in Subsidiaries are carried at cost less accumulated impairment losses, if any.

** Mitsu Foundation is a Section 8 registered Company under the Companies Act, 2013. The objectives of Mitsu Foundation includes working in areas of eradication of hunger, poverty, and malnutrition, promoting healthcare, promoting education, helping different abled persons, promotion of gender equality, empowerment of women, promoting sports and related training and uplifment of poor and backward classes. The purpose of this subsidiary Company is not to generate profit or any economic benefit for the Parent. There is no exposure, or rights, to variable returns from involvement with the Subsidiary. Thus, as per Para 7 of Ind AS 110 company has not prepared consolidated financial statements.

MITSU CHEM PLAST LIMITED
OTHER NOTES TO FINANCIAL STATEMENTS

NOTE 6

Other financial assets (₹ in Lakh)

PARTICULARS	30.09.2023	31.03.2023	31.03.2022
Non Current			
Fixed Deposits with Bank held as Margin Money	34.54	22.64	30.86
Fixed Deposit given as security against Borrowings	6.23	59.95	98.68
In recurring deposits accounts	19.39	11.48	-
TOTAL	**60.16**	**94.07**	**129.54**
Current			
Fixed Deposits with Bank held as Margin Money	202.00	210.16	148.17
Fixed Deposit given as security against Borrowings	161.24	103.43	57.61
In recurring deposits accounts	-	-	35.91
Interest Receivable	3.29	5.78	3.32
TOTAL	**366.53**	**319.36**	**245.01**

NOTE 7

Other assets (₹ in Lakh)

PARTICULARS	30.09.2023	31.03.2023	31.03.2022
(A) Non Current Assets			
MAT Credit Entitlement		-	-
Capital advances - Unsecured, considered good	463.41	461.80	70.25
Less: Allowance for Expected Credit Loss	(7.34)	(7.34)	(7.34)
	456.07	454.46	62.91
Other Deposits - Unsecured, considered good			
Security Deposit against rental premises	25.23	23.35	6.65
Electricity Deposit	30.32	30.32	55.16
MSRDC Deposit	2.39	1.92	1.92
Others	20.57	14.35	6.15
	78.50	**69.94**	**69.88**
TOTAL	**534.58**	**524.40**	**132.80**
(B) Current Assets			
Prepaid Expenses	335.72	289.94	83.45
Advance to Creditors/Suppliers	139.75	211.91	118.17
Advance for foreign Travelling	-	-	-
Overfunded Gratuity Investments	15.84	13.40	16.79
Others			
Statutory dues receivable	23.06	21.20	25.98
GST ITC	4.14	12.70	2.48
GST ITC receivable on Bonded Goods & Goods in Transit	25.66	18.10	10.85
GST on Advance Receipts	0.05	0.49	-
GST TDS Balances		-	0.59
Margin Money	34.48	27.85	29.28
MEIS License		-	0.24
TDS/TCS Receivabe		0.06	0.24
RoDTEP License	0.06	0.06	23.12
Pre Deposit Amount against Sales Tax appeal	1.11	1.27	1.27
Others	4.72	2.76	1.22
TOTAL	**584.61**	**599.74**	**313.68**

NOTE 8

Inventories (₹ in Lakh)

PARTICULARS	30.09.2023	31.03.2022	31.03.2022
Raw Materials[a]	1,671.73	2,120.31	1,927.40
Work in Progress	366.57	455.58	342.54
Finished Goods	282.04	268.37	247.97
Molds	54.22	12.22	70.72
Accessories	161.60	133.79	133.27
Packing Material	34.00	33.06	35.21
Stores and Spares	139.95	183.89	172.68
TOTAL	**2,710.11**	**3,207.21**	**2,929.79**
Valued at Cost or Net Realisable Value whichever is lower			

(a) Raw Material Includes raw material in transit amounts Rs. 102.91 Lakhs as at 31st March 23 (Rs. 61.58 Lakhs as at 31st March 2022)
(b) Finished Goods are valued at lower of Cost or NRV and other materials are valued at cost.
(c) Inventories are pledged/hypothicated as securities against borrowings

NOTE 9

Trade Receivables (₹ in Lakh)

PARTICULARS	30.09.2023	31.03.2023	31.03.2022
Trade Receivables considered good-Unsecured			
From Others	4,794.51	4,732.10	4,158.52
Less: Allowance for Expected Credit Loss	(18.65)	(10.15)	(13.57)
	4,775.86	4,721.95	4,144.95
Trade Receivables credit Impaired			
From Others	9.80	9.80	132.93
Less: Allowance for Expected Credit Loss	(9.80)	(9.80)	(132.93)
	(0.00)	-	-
Total	**4,775.86**	**4,721.95**	**4,144.95**

NOTE 9.1

Ageing of Trade Receivables as at 30th Sept 2023 (₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,668.18	115.62	6.80	2.18	11.52	4,804.31
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-			-
(iii) Undisputed Trade Receivables-credit impaired	-	-	-			-
(iv) Disputed Trade Receivables- considered good	-	-	-			-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-			-
(vi) Disputed Trade Receivables- credit impaired	-	-	-			-
Total Trade Receivables- Gross	**4,668.18**	**115.62**	**6.80**	**2.18**	**11.52**	**4,804.31**
Less: Allowance for doubtful trade receivables						**(28.45)**
Trade Receivable-Net						**4,775.86**

Ageing of Trade Receivables as at 31st March 2023 (₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,715.74	9.34	3.74	1.83	11.24	4,741.90
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-			-
(iii) Undisputed Trade Receivables-credit impaired	-	-	-			-
(iv) Disputed Trade Receivables- considered good	-	-	-			-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-			-
(vi) Disputed Trade Receivables- credit impaired	-	-	-			-
Total Trade Receivables- Gross	**4,715.74**	**9.34**	**3.74**	**1.83**	**11.24**	**4,741.90**
Less: Allowance for doubtful trade receivables						**(19.95)**
Trade Receivable-Net						**4,721.95**

Ageing of Trade Receivables as at 31st March 2022 (₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,113.79	36.79	3.14	1.91	2.89	4,158.52
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-			-
(iii) Undisputed Trade Receivables-credit impaired	-	-	-			-
(iv) Disputed Trade Receivables- considered good	-	-	-			-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-			-
(vi) Disputed Trade Receivables- credit impaired	-	-	-		132.93	132.93
Total Trade Receivables- Gross	**4,113.79**	**36.79**	**3.14**	**1.91**	**135.83**	**4,291.46**
Less: Allowance for doubtful trade receivables						**(146.50)**
Trade Receivable-Net						**4,144.95**

NOTE 10

Cash & Cash Equivalents (₹ in Lakh)

PARTICULARS	30.09.2023	31.03.2023	31.03.2022
Cash on Hand	1.08	0.91	1.21
Balances With Bank			
In current accounts	5.29	9.45	212.43
Fixed Deposits with Bank held as Margin Money		-	-
Total Balance with Bank	**5.29**	**9.45**	**212.43**
TOTAL	**6.37**	**10.36**	**213.64**

NOTE 11

Bank balances other than cash & cash equivalents (₹ in Lakh)

PARTICULARS	30.09.2023	31.03.2023	31.03.2022
Earmarked Balances with Bank			
Unpaid / Unclaimed Dividend	0.18	0.18	0.18
TOTAL	**0.18**	**0.18**	**0.18**

NOTE 12

Loans (₹ in Lakh)

PARTICULARS	30.09.2023	31.03.2023	31.03.2022
(A) Current			
Unsecured, considered good			
Loans & Advances to Employees	17.78	16.64	15.75
TOTAL	**17.78**	**16.64**	**15.75**

MITSU CHEM PLAST LIMITED
OTHER NOTES TO FINANCIAL STATEMENTS

NOTE 13
Equity Share capital

(₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
(A)	Authorised Share Capital			
1	1,20,80,000 Equity Shares of Rs 10/- each (1,20,80,000 Equity Shares of Rs 10/- each as at 31.03.2023 and 31.03.2022)	1,208.00	1,208.00	1,208.00
		1,208.00	**1,208.00**	**1,208.00**
(B)	Issued,Subscribed and Paid-up Share Capital			
1	1,20,72,600 Equity Shares of Rs 10/- each fully paid-up (1,20,72,600 Equity Shares of Rs 10/- each fully paid-up as at 31.03.2023 and 31.03.2022)	1,207.26	1,207.26	1,207.26
		1,207.26	**1,207.26**	**1,207.26**

NOTE 13.1
Reconciliation Of Shares Outstanding At The Beginning And At The End Of The Year

(Shares in Numbers & Amount in ₹)

PARTICULARS		30.09.2023		31.03.2023		31.03.2022	
		Nos.	Amount	Nos.	Amount	Nos.	Amount
(A)	**Equity Shares**						
1	Shares Outstanding at the beginning of the year	12,072,600	1,207.26	12,072,600	1,207.26	12,072,600	1,207.26
2	Additions during the year						
i)	Bonus Shares issued during the year	-	-	-	-	-	-
ii)	Fresh Issue during the year	-	-	-	-	-	-
3	Deductions during the year	-	-	-	-	-	-
4	Shares Outstanding at the end of the year	**12,072,600**	**1,207.26**	**12,072,600**	**1,207.26**	**12,072,600**	**1,207.26**

NOTE 13.2
Share Capital

(A)	The company has 1 class of each Equity shares
(B)	Each holder of Equity shares is entitled to one vote per share
(C)	The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend
(D)	In the event of Liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion of their sharholding

NOTE 13.3
Details of Shareholders Holding More Than 5% Shares in the Company

PARTICULARS		30.09.2023		31.03.2023		31.03.2022	
		No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding
(A)	**Equity Shares**						
1	Jagdish Liladhar Dedhia	1,267,092	10.50	1,267,092	10.50	1,267,092	10.50
2	Sanjay Mavji Dedhia	1,271,922	10.54	1,271,922	10.54	1,271,922	10.54
3	Manish Mavji Dedhia	1,674,720	13.87	1,674,720	13.87	1,674,720	13.87
4	Lilavanti Mavji Dedhia	1,763,220	14.61	1,763,220	14.61	1,714,920	14.21
5	Vimlaben Liladhar Dedhia	1,763,220	14.61	1,763,220	14.61	1,714,920	14.21

NOTE 13.4

Aggregate number of bonus shares issued, shares issued for consideration other then cash during the period of five years immediately preceding the reporting date

PARTICULARS			(Aggregate No. of Shares) for the year ended				
		30.09.2023	31.03.2023	31.03.2022	31.03.2021	31.03.2020	31.03.2019
	Fully Paid up Equity Shares by way of Bonus	-	-	-	-	8,048,400	-

NOTE 13.5

Shares held by promoters at the end of the year 30th September 2023

Shares held by promoters at the end of the year				% Change during the Year
S.NO	Promoter Name	No of Shares	% of Total Shares	
1	Jagdish Liladhar Dedhia	1,267,092	10.50%	0.00%
2	Sanjay Mavji Dedhia	1,271,922	10.54%	0.00%
3	Manish Mavji Dedhia	1,674,720	13.87%	0.00%
TOTAL		**4,213,734**	**34.90%**	**0.00%**

Shares held by promoters at the end of the year 31st March 2023

Shares held by promoters at the end of the year				% Change during the Year
S.NO	Promoter Name	No of Shares	% of Total Shares	
1	Jagdish Liladhar Dedhia	1,267,092	10.50%	0.00%
2	Sanjay Mavji Dedhia	1,271,922	10.54%	0.00%
3	Manish Mavji Dedhia	1,674,720	13.87%	0.00%
TOTAL		**4,213,734**	**34.90%**	**0.00%**

Shares held by promoters at the end of the year 31st March 2022

Shares held by promaters at the end of the year				% Change during the Year
S.NO	Promoter Name	No of Shares	% of Total Shares	
1	Jagdish Liladhar Dedhia	1,267,092	10.50%	0.00%
2	Sanjay Mavji Dedhia	1,271,922	10.54%	0.00%
3	Manish Mavji Dedhia	1,674,720	13.87%	0.00%
TOTAL		**4,213,734**	**34.90%**	**0.00%**

MITSU CHEM PLAST LIMITED
OTHER NOTES TO FINANCIAL STATEMENTS

NOTE 13.6

Details of Dividend paid and proposed during the year (₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
(A)	**Cash dividend on equity shares declared and paid during the year**			
1	Final dividend paid for the year ended on 31st March 23 Rs. 0.20 per Share (Rs. 0.20 per Share for 31st March 22)	24.15	24.15	24.15
2	Dividend Distribution Tax on final dividend			-
		24.15	24.15	**24.15**
(B)	**Proposed dividends on equity shares not recognised as liability**			
1	Proposed dividend paid for the year ended on 31st March 23 Rs. 0.20 per Share (Rs. 0.20 per Share for 31st March 22)	24.15	24.15	24.15
		24.15	24.15	**24.15**

NOTE 14

Summary of Other Equity Balances (₹ in Lakh)

PARTICULARS		30.09.2023	30.09.2023 ₹	31.03.2022
(I)	**Securities Premium**			
1	As per last Balance Sheet	15.14	15.14	15.14
2	*Add:* Additions during the year		-	-
3	*Less* : Utilised for issue of Bonus Shares & Issue expenses		-	-
		15.14	**15.14**	**15.14**
(II)	**General Reserve**			
1	As per last Balance Sheet	182.49	182.49	182.49
	(+) Subsidies transferred to General Reserve			-
		182.49	**182.49**	**182.49**
(V)	**Retained Earnings**			
1	Opening Balance	4,835.63	3,679.31	2,553.46
2	*Add:* Profit for the year	284.83	1,180.46	1,150.00
3	Profit available for appropriations	**5,120.45**	**4,859.77**	**3,703.46**
	Less: Appropriations			
4	Dividend Paid	24.15	24.15	24.15
5	Dividend Distribution Tax			-
		5,096.31	**4,835.63**	**3,679.31**
(VI)	**Other Comprehensive Income**			
(I)	**Remeasurements of Net Defined Benefit Plans**			
1	Opening Balance	1.78	7.54	6.58
2	*Add:* Profit for the year	-	(5.76)	0.97
3	Profit available for appropriations	**1.78**	**1.78**	**7.54**
	TOTAL	**5,295.72**	**5,035.04**	**3,884.48**

NOTE 14.1

Nature & Purpose of Reserves

(a) **Securities premium reserve :** Securities premium reserve is created due to premium on issue of shares. These reserve is utilized in accordance with the provisions of the Companies Act, 2013.

(b) **General Reserve :** Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10.00% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year.

(c) **Retained Earnings :** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

(d) **Items of Other Comprehensive Income**
Remeasurements of Net Defined Benefit Plans : Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.

NOTE 15

Non-Current Borrowings (₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
			₹	
(A)	***Secured Loans :- (At Amortised Cost)**			
1	From Banks#	1,594.64	1,589.21	2,176.21
2	From Financial and other Institutions#	-	-	0.00
	Total Secured Borrowings	**1,594.64**	**1,589.21**	**2,176.21**
(B)	**Unsecured Loan :- (At Amortised Cost)**			
1	From Banks#		-	-
2	From Financial and other Institutions#	1,000.00	1,000.00	-
3	Loans From Directors	428.37	425.00	428.87
4	Inter Corporate Deposits	750.00	750.00	250.00
	Total Unsecured Borrowings	**2,178.37**	**2,175.00**	**678.87**
	TOTAL	**3,773.00**	**3,764.21**	**2,855.08**

*Secured Long-term Borrowings is secured against all existing and future current assets and movable fixed assets including plant & machinery, vehicles and further secured against Land & Building, Office premises, Fixed Deposits, residential flat of directors and personal gurantees of directors.

Current Obligations of Loans from Bank & Financials Institutions amounting to Rs.1,177.21 lakhs as at 30th September 2023, Rs.1,005.48 lakhs as at 31st March 2023, Rs.1,328.02 lakhs as at 31st March 2022)is classified under Current Borrowing. Refer to note no 16.

NOTE 15.1

Maturity Profile

Maturity of Secured & Unsecured Long term loan are as set below : **(₹ in Lakh)**

	Maturity Period	30.09.2023	31.03.2023	31.03.2022
1	Within 1 year	1,177.21	1,005.48	1,328.02
2	1-2 years	784.74	762.99	941.82
3	2-3 years	551.57	1,419.89	693.66
4	Beyond 3 year	258.32	406.33	540.73
	Total	**2,771.85**	**3,594.69**	**3,504.23**

NOTE 16

Current Borrowings **(₹ in Lakh)**

	PARTICULARS	30.09.2023	31.03.2023	31.03.2022
(A)	***Secured Borrowings :-**			
1	Loans Repayable on Demand			
	From Bank	3,235.44	2,939.10	2,532.04
	Current maturities of long term debt	1,177.21	1,005.48	1,328.02
(B)	**Unsecured Borrowings :-**			
	Current maturities of long term debt			
	TOTAL	**4,412.65**	**3,944.58**	**3,860.06**

*Secured Long-term Borrowings is secured against all existing and future current assets and movable fixed assets including plant & machinery, vehicles and further secured against Land & Building, Office premises, Fixed Deposits, residential flat of directors and personal gurantees of directors.

NOTE 17

Provision **(₹ in Lakh)**

	PARTICULARS	30.09.2023	31.03.2023	31.03.2022
(A)	**Long Term Provisions - Non Current**			
1	Provision for Gratuity			-
	TOTAL			-
(B)	**Short Term Provisions - Current**			
1	Payable to Employees	203.85	205.41	174.79
2	Electricity charges payable	154.18	163.93	124.05
3	Others	32.63	22.06	11.97
	TOTAL	**390.66**	**391.40**	**310.80**

NOTE 18

Income Tax

(A) Current Tax Laibilities (Net) **(₹ in Lakh)**

	PARTICULARS	30.09.2023	31.03.2023	31.03.2022
1	Opening Balance	(7.61)	29.79	22.31
2	Add : Current Tax Provision for the year	85.66	321.05	398.00
3	Add/Less : Short/(Excess) Provisions of earlier years		1.06	0.07
4	Less : MAT Credit utlised		-	(40.88)
5	Less : Taxes Paid	(91.25)	(359.51)	(349.70)
6	Closing Balance	(13.20)	(7.61)	29.79

The closing balance of current tax liability is net of advance tax and tax deducted at source.

The Company has chosen to exercise the option of lower tax rate under section 115 BAA of the Income Tax Act, 1961 from Financial Year 22-23.

MITSU CHEM PLAST LIMITED
OTHER NOTES TO FINANCIAL STATEMENTS

(B) MAT Credit Entitlement - Assets (₹ in Lakh)

	PARTICULARS	30.09.2023	31.03.2023	31.03.2022
1	Opening Balance	-	-	40.88
2	Add / Less : Current Tax Provision for the year	-	-	(40.88)
3	Add/Less : Short/(Excess) Provisions of earlier years	-	-	-
4	Closing Balance	-	-	-

(C) Deferred Tax Liabilities (Net) (₹ in Lakh)

	PARTICULARS	30.09.2023	31.03.2023	31.03.2022
1	Opening Balance	532.43	553.59	460.37
2	Add/Less : Deferred Tax Charge/(Credit) to Statement of P&L	19.83	(19.23)	92.90
3	Add/Less : Deferred Tax Charge/(Credit) to Statement of OCI	-	(1.94)	0.32
4	Closing Balance	552.27	532.43	553.59

(D) Summary of Income Tax Expenses (₹ in Lakh)

	PARTICULARS	30.09.2023	31.03.2023	31.03.2022
1	Current Tax	85.66	322.11	398.07
2	MAT Credit	-	-	-
3	Deferred Tax	19.83	(19.23)	92.90
	Total Tax Expenses	**105.49**	**302.89**	**490.96**

(E) Deferred Tax Liabilities (Net) (₹ in Lakh)

	PARTICULARS	30.09.2023	31.03.2023	31.03.2022
1	**Deferred Tax Liabilities in relation to**			
(i)	Property Plant & Equipments and Intangible Assets	561.96	540.09	590.76
(ii)	Fair Value of Non Current Investments - Financial Assets			-
(iii)	Provision for Employee Benefits	3.68	3.37	7.64
(iv)	Amortisation of Borrowing Cost			-
(v)	Effect of deviation from ICDS and Valuation method u/s 145A		-	-
		565.64	**543.47**	**598.39**
2	**Deferred Tax Assets in relation to**			
(i)	Provision for Employee Benefits		-	-
(ii)	Amortisation of Borrowing Cost	5.44	4.19	-
(iii)	Fair Value of Non Current Investments - Financial Assets			-
(iv)	Provision for Expected Credit Loss	7.94	6.87	44.80
		13.38	**11.06**	**44.80**
	Net Deferred Tax Liabilities	**552.27**	**532.41**	**553.59**

(F) Movement in Deferred Tax Assets & Liabilities (₹ in Lakh)

	PARTICULARS	Charge/(Credit) to Statement of P&L		Charge/(Credit) to OCI	
		31.03.2023	31.03.2022	31.03.2023	31.03.2022
1	Property Plant & Equipments and Intangible Assets	50.66	(81.85)		
2	Fair Value of Non Current Investments - Financial Assets	-	(7.28)		
3	Amortisation of Borrowing Cost	4.19	3.45		
4	Provision for Employee Benefits	6.20	(9.24)	(1.94)	0.32
5	Provision for Expected Credit Loss	(37.93)	1.38		
		(0.02)			
	Total	**23.10**	**(93.55)**	**(1.94)**	**0.32**

The Company has chosen to exercise the option of lower tax rate under section 115 BAA of the Income Tax Act, 1961 from Financial Year 22-23 onwards and the resultant effect has been given under deferred tax.

MITSU CHEM PLAST LIMITED
OTHER NOTES TO FINANCIAL STATEMENTS

NOTE 19
Other Liabilities

(₹ in Lakh)

	PARTICULARS	30.09.2023	31.03.2023	31.03.2022
(A)	**Non Current Liabilities**			
1	Sundry Creditors for Capital Goods	42.64	163.08	60.28
2	Others			-
	TOTAL	**42.64**	**163.08**	**60.28**
(B)	**Current Liabilities**			
1	Advances received from customers	42.86	57.76	116.43
2	Due to Government Authorities			
i	Sales tax and GST payable	223.78	168.36	46.45
ii	CST Payable	-	-	0.85
iii	TDS payable	12.90	31.51	34.41
iv	Profession tax payable	0.83	0.78	0.65
v	Custom Duty Payable	-	-	-
vi	PF & ESIC Payable	10.77	9.54	8.59
3	Others	14.91	14.53	0.20
	TOTAL	**306.07**	**282.50**	**207.58**

NOTE 20
Trade payables

(₹ in Lakh)

	PARTICULARS	30.09.2023	31.03.2023	31.03.2022
(A)	**Micro and Small Enterprises**			
1	Trade Payables for Goods	150.02	136.03	157.30
2	Trade Payables for Expenses	12.18	8.94	1.76
	Sub-total	***162.20***	***144.97***	**159.06**
(B)	**Others**			
1	Trade Payables for Goods	1,000.38	1,887.82	944.91
2	Trade Payables for Expenses	246.44	323.33	314.96
	Sub-total	**1,246.82**	**2,211.15**	**1,259.87**
	TOTAL	**1,409.02**	**2,356.11**	**1,418.93**

NOTE 20.1
Aging of Trade Payables as at 30th September 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Micro and Small	162.20	-	-	-	162.20
(ii) Others	1,246.39	0.43	-	-	1,246.82
(iii) Disputed dues – Micro and Small	-	-	-	-	-
(iv) Disputed dues – Medium	-	-	-	-	-
(v) Disputed dues - Others	-	-	-	-	-
TOTAL	**1,408.59**	**0.43**	-	-	**1,409.02**

Aging of Trade Payables as at 31st March 2023

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Micro and Small	144.97	-	-	-	144.97
(ii) Others	2,211.15	-	-	-	2,211.15
(iii) Disputed dues – Micro and Small	-	-	-	-	-
(iv) Disputed dues – Medium	-	-	-	-	-
(v) Disputed dues - Others	-	-	-	-	-
TOTAL	**2,356.12**	**-**	**-**	**-**	**2,356.12**

Ageing of Trade Payables as at 31st March 2022

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Micro and Small	215.03		-	-	215.03
(ii) Others	1,201.55	2.35	-	-	1,203.90
(iii) Disputed dues – Micro and Small	-		-	-	-
(iv) Disputed dues – Medium	-		-	-	-
(v) Disputed dues - Others	-		-	-	-
TOTAL	1,416.58	2.35	-	-	1,418.93

MITSU CHEM PLAST LIMITED
OTHER NOTES TO FINANCIAL STATEMENTS

NOTE 20.2

(₹ in Lakh)

MICRO, SMALL AND MEDIUM ENTERPRISES HAVE BEEN IDENTIFIED BY THE COMPANY ON THE BASIS OF THE INFORMATION AVAILABLE.

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
(A)	Dues remaining unpaid as at 31st March			
	Principal	162.20	144.97	159.06
	Interest on the above	-	-	-
(B)	Interest paid in terms of Section16 of the act along with amount of payment made to the supplier beyond the appointed day during the year.	-	-	-
	Principal paid beyond the appointed date	-	-	-
	Interest paid in terms of Section 16 of the act	-	-	-
(C)	Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-	-
(D)	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.	-	-	-
(E)	Amount of interest accrued and remaining unpaid as at 31st March	-	-	-

NOTE 21

Other Financial Liabilities

(₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
	Current Financial Liabilities			
1	Interest accrued but not due	81.35	24.91	20.93
2	Unpaid / Unclaimed Dividend*	0.18	0.18	0.18
	TOTAL	**81.53**	**25.09**	**21.11**

* There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of the Companies Act, 2013 as at 31st March 2023 (amount as at 31st March 2022 - NIL)

NOTE 22

Current Tax Liabilities (Net)

(₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
(A)	**Provision for Statutory Liabilities**			
1	Provision for Tax (Net of Advance Taxes)	-	-	29.78
	TOTAL	**-**	**-**	**29.78**
(B)	**Provision for Statutory Asset**			
1	Provision for Tax (Net of Advance Taxes)	13.20	7.61	-
	TOTAL	**13.20**	**7.61**	**-**

NOTE 23
Revenue From Operations

(₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
(A)	**Revenue From Sale of Products**			
1	Local Sales	15,491.58	30,865.75	25,750.62
2	Export Sales	27.55	7.63	-
	Sub-Total	**15,519.13**	**30,873.38**	**25,750.62**
(B)	**Revenue From Sale of Services**			
1	UN Test Certification Charges	5.97	23.26	12.01
2	Professional Fees and other charges	24.80	0.72	8.85
	Sub-Total	**30.78**	**23.98**	**20.86**
(C)	**Other Operating Revenue**			
1	Export Incentives	0.35	0.10	0.24
	Sub-Total	**0.35**	**0.10**	**0.24**
	TOTAL	**15,550.26**	**30,897.46**	**25,771.71**

NOTE 24
Other Income

(₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
1	Interest Income	12.32	27.19	25.55
2	Dividend		1.39	1.11
3	Other Non-Operating Income			-
i	Insurance Claim Received		-	18.72
ii	Reversal of excess provision		-	-
iii	Other Income		6.86	0.44
4	Other Gains			-
i	Net gain arising on financial assets measured at FVTPL		-	-
ii	Foreign exchange Gain	36.54	-	39.30
iii	Realised Gain on Sale of non current Investments		-	19.80
iv	Profit on Sale of Fixed Assets		-	3.47
v	Insurance Claim	0.71		
vi	Unrealised MTM Gain		0.08	-
vii	Gain on License utilisation		-	6.39
	TOTAL	**49.57**	**35.53**	**114.78**

NOTE 25
Other Comprehensive Income – Items That Will Not Be Reclassified To Profit And Loss

(₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
1	Remeasurement of Defined Benefit Plan	-	(7.70)	1.29
	TOTAL	**-**	**(7.70)**	**1.29**

NOTE 26

Cost of Material Consumed (₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
(A)	**Raw Materials**			
1	Opening Stock	2,120.31	1,927.40	1,613.25
2	Add : Purchased during the year	9,174.43	19,438.07	15,567.89
3	Less : Closing Stock	1,671.73	2,120.31	1,927.40
	Sub-total	**9,623.01**	**19,245.16**	**15,253.74**
(B)	**Packing Materials**			
1	Opening Stock	33.06	35.21	24.80
2	Add : Purchased during the year	187.82	374.07	359.13
3	Less : Closing Stock	34.00	33.06	35.21
	Sub-total	**186.87**	**376.23**	**348.72**
(C)	**Other Materials**			
(i)	**Accessories**			
1	Opening Stock	133.79	133.27	108.35
2	Add : Purchased during the year	438.51	859.87	991.65
3	Less : Closing Stock	161.60	133.79	133.27
	Sub-total	**410.70**	**859.34**	**966.73**
(ii)	**Trading**			
1	Opening Stock	12.22	70.72	3.19
2	Add : Purchased during the year	119.99	22.83	96.27
3	Less : Closing Stock	54.22	12.22	70.72
	Sub-total	**77.99**	**81.33**	**28.74**
	TOTAL	**10,298.57**	**20,562.06**	**16,597.93**

NOTE 27

Changes In Inventories Of Finished Goods, Work In Progress And Stock In Trade (₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
(A)	**Finished Goods / Stock in Trade**			
1	Opening Stock	268.37	247.97	185.47
2	Closing Stock	282.04	268.37	247.97
	Sub-total	**(13.68)**	**(20.40)**	**(62.50)**
(B)	**Work in Progress / stock in Trade**			
1	Opening Stock	455.58	342.54	219.14
2	Closing Stock	366.57	455.58	342.54
	Sub-total	**89.02**	**(113.04)**	**(123.40)**
	TOTAL	**75.34**	**(133.44)**	**(185.90)**

MITSU CHEM PLAST LIMITED
OTHER NOTES TO FINANCIAL STATEMENTS

NOTE 28
Employee Benefits Expenses

(₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
1	Salaries and Wages, Leave Salary & Bonus	871.55	1,477.83	1,227.56
2	Director's Remuneration	121.58	324.00	324.00
3	Contribution to Provident and Other Funds	34.93	59.94	56.48
4	Defined Benefit Plan - Gratuity	7.20	16.27	15.94
5	Staff Welfare Expenses	51.01	116.37	103.49
	TOTAL	**1,086.27**	**1,994.41**	**1,727.47**

NOTE 29
Finance Cost

(₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
1	Interest on Secured Borrowings	321.41	494.08	419.21
2	Interest on Unsecured Borrowings	70.73	139.30	63.85
3	Other Interest	0.23	4.17	7.94
4	Bank Charges & other finance cost	44.72	81.23	68.87
		437.10	**718.78**	**559.86**
5	Less: Borrowing Cost Capitalised*	(20.77)	(35.31)	-
	TOTAL	**416.34**	**683.47**	**559.87**

NOTE 30
Depreciation And Amortisation Expenses

(₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
1	Depreciation on plant, property and equipment	285.25	522.06	475.74
2	Amortisation on Intangible assets	2.96	5.90	5.84
	TOTAL	**288.21**	**527.96**	**481.58**

NOTE 31
Other Expenses

(₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
1	Labour Contract Charges	830.20	1,678.50	1,588.53
2	Power and Fuel Expenses	944.17	1,655.15	1,433.85
3	Consumption of Stores and Spares	68.39	178.66	140.52
4	Conveyance & Travelling Expenses	25.21	55.47	31.79
5	Audit fees	2.00	4.00	4.00
6	Insurance charges	32.18	60.84	50.20
7	Legal and Professional fees	45.98	175.31	152.93
8	Security Expenses	18.96	34.99	28.90
9	Factory Expense	18.88	26.10	36.47
10	Rates & Taxes	0.20	9.12	17.36
11	Commission & Brokerage	6.47	21.56	17.84
12	Postage & Courier Expenses	2.92	5.36	11.15
13	Exhibition Expenses	16.64	46.53	23.83
14	Foreign Exchange Loss	-	36.84	-
15	Loss on Sale/Disposal of Assets	1.05	1.42	-
16	Loss on Fair Value of Investments		-	-
17	Goods lost by fire		-	18.42
18	Printing & Stationery Expenses	5.37	12.22	10.70
19	Rent	55.54	105.84	50.17
20	Repairs and Maintenance	106.23	196.97	166.34
21	Sales Promotion	5.79	16.12	10.71
22	Screen printing charges	42.12	46.42	53.05
23	Transportation	623.62	1,097.10	911.45
24	Tempo & Fuel Expenses	81.92	161.94	163.68
25	Vehicle Expenses	15.79	35.75	35.31
26	CSR Expenses	14.46	24.18	16.41
27	Bad Debts Written off	-		
	- Bad Debts Written off		123.13	-
	- Transfer from/to Provision for Doubtful Debts	8.50	(126.55)	4.73
		8.50	(3.42)	4.73
28	Other Miscellaneous Expenses	72.21	132.18	86.21
	TOTAL	**3,044.78**	**5,815.17**	**5,064.58**

NOTE 31.1
Payments to Auditors

(₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
	As an Auditor			
1	Statutory Audit Fees	1.80	4.00	4.00
2	Other Certification Charges	0.25	3.05	0.29
3	Reimbursement of expenses	0.20	0.36	0.07
	TOTAL	**2.25**	**7.41**	**4.36**

NOTE 31.2

Corporate Social Responsibility expenses (₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
(A)	Amount required to be spent as per section 135 of the Companies Act,2013	28.92	24.02	15.85
	TOTAL	**28.92**	**24.02**	**15.85**
(B)	Amount Spent during the year for			
1	Animals and Birds Welfare			
2	Relief to poor & distress, Educational and Medical Relief to needy, Animal welfare		-	-
3	Eradicating hunger and making available safe drinking water.		1.27	0.42
4	Medical camp and Medical expenses		10.00	13.00
5	Promotion of nationally recognized sports		2.40	2.58
	Rural Development Project		10.00	
	Administrative Expenses		0.51	
	TOTAL	-	**24.18**	**16.00**

Excess spent of Rs. 0.27 Lakhs in FY 20-21 adjusted in subsequent year.
Includes Rs. 16 Lakhs (31 March 2021: NIL) paid to related party (Refer note 35).
CSR Expenditure will spend amount of Rs. 29 Lakh for FY 23-24.

NOTE 32

Earning Per Equity Shares (EPS)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
(A)	**Face Value per Equity Share**	10	10.00	10.00
(B)	**Basic Earning Per Share (Rs.)**			
1	Net Profit after Tax as per Statement of Profit and Loss Attributable to Equity Shareholders (Rs. Lakhs)	284.83	1,180.46	1,149.99
2	Adjusted weighted average number of equity shares outstanding (Nos in lakhs.) for calculating Basic EPS	120.73	120.726	120.73
3	**Basic EPS (Rs.)**	**2.36**	**9.78**	**9.53**
(C)	**Diluted Earning Per Share (Rs.)**			
1	Net Profit after Tax as per Statement of Profit and Loss Attributable to Equity Shareholders (Rs. Lakhs)	284.83	1,180.46	1,149.99
2	Adjusted weighted average number of equity shares outstanding (Nos in Lakhs.) for calculating Diluted EPS	120.73	120.73	120.73
3	**Diluted EPS (Rs.)**	**2.36**	**9.78**	**9.53**

NOTE 33

Contingent Liabilities & Commitments

(₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
(A)	**Contingent Liabilities**			
1	Income Tax, Sales Tax and GST Disputes	25.81	25.81	25.81
2	LC / Bills Under LC	2,029.39	2,451.69	999.21
3	Bank guarantee	316.08	302.49	123.82
(B)	**Capital Commitments towards**			
1	Property, plant and equipment	482.23	490.74	118.89
	(contracts remaining to be executed on capital account not provided for (net of advances)			
	TOTAL	**2,853.51**	**3,270.73**	**1,267.72**

Note 34

Defined Benefit Plans

(A) Reconciliation of Defined Benefit Obligation (DBO)

PARTICULARS		31.03.2023	31.03.2022
		₹	₹
1	Defined Benefit obligation at beginning of year	133.21	125.87
2	Current Service Cost	18.21	16.22
3	Interest Cost	9.72	8.69
4	Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic assumption	-	(4.74)
5	Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-	(5.78)
6	Actuarial (Gains)/Losses on Obligations - Due to Experience	5.55	5.31
7	Benefits paid	(6.09)	(12.36)
8	Defined Benefit obligation at year end	160.60	133.21

(B) Reconciliation of Fair Value of Plan Assets

PARTICULARS		31.03.2023	31.03.2022
		₹	₹
1	Fair Value of Plan Assets at start of the year	150.00	124.39
2	Contributions by Employer	20.58	32.92
3	Benefits Paid	(6.09)	(12.36)
4	Interest Income on Plan Assets	11.66	8.97
5	Return on plan assets excluding amount included in net interest on the net defined benefit liability/ (asset)	(2.15)	(3.92)
6	Fair Value of Plan Assets at end of the year	174.00	150.00
7	Actual Return on Plan Assets	9.51	5.05
8	Expected Employer Contributions for the coming year	-	-

(C) Net Liability/ (Asset) recognised in the Balance Sheet

PARTICULARS		31.03.2023	31.03.2022
		₹	₹
1	Present Value of DBO	160.60	133.21
2	Fair value of Plan assets	174.00	150.00
3	Liability/ (Asset) recognised in the Balance Sheet	(13.40)	(16.79)
4	Funded Status [Surplus/ (Deficit)]	13.40	16.79
5	Of which, Short term Liability		-
6	Experience Adjustment on Plan Liabilities: (Gain)/ Loss	5.55	5.31

(D) Expenses recognised in the Profit and Loss Account

PARTICULARS		31.03.2023	31.03.2022
		₹	₹
1	Current Service Cost	18.21	16.22
2	Net Interest Cost	(1.94)	(0.28)
3	Expenses recognised in P & L	16.27	15.94

(E) Expenses recognised in Other Comprehensive Income (OCI) (₹ in Lakh)

PARTICULARS		31.03.2023	31.03.2022
		₹	₹
1	Balance at start of year (Loss)/ Gain	9.43	8.14
2	Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic assumption	-	4.74
3	Actuarial (Loss)/ Gain from changes in financial assumptions	-	5.78
4	Actuarial (Loss)/ Gain from experience over the past year	(5.55)	(5.31)
5	Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/ (asset)	(2.15)	(3.92)
6	Balance at end of year (Loss)/ Gain	1.73	9.43

(F) Actuarial Assumptions

PARTICULARS		31.03.2023	31.03.2022
		₹	
1	Salary Growth Rate	4% pa	4% pa
2	Discount Rate	7.3% pa	7.3% pa
3	Net Interest Rate on Net DBO/ (Assets)	7.3% pa	6.9% pa
4	Withdrawal Rate	2% pa	2% pa
5	Mortality	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
6	Expected weighted average remaining working life	14 Years	14 Years

(G) Percentage Break-down of Total Plan Assets

PARTICULARS		31.03.2023	31.03.2022
	Investment Funds with Insurance Company	100%	100%
1	Of which, Unit Linked	-	-
2	Of which, Traditional/ Non-Unit Linked	100%	100%
	Total	100%	100%

Note: None of the assets carry a quoted market price in an active market or represent the entity's own transferable financial instruments or are property occupied by the entity.

(H) Sensitivity Analysis

Year ended March 31, 2023 in Rs '000	Increases 1%	Decreases 1%
Salary Growth Rate	DBO Increases by 1937	DBO decreases by 1,651
Discount Rate	DBO decreases by 1590	DBO increases by 1,892
Withdrawal Rate	DBO increases by 532	DBO decreases by 608

Mortality (change in expected lifetime by 1 year)	DBO decreases by 15
Mortality (change in expected lifetime by 3 years)	DBO decreases by 37

Year ended March 31, 2022	Increases 1%	Decreases 1%
Salary Growth Rate	DBO increases by 1,665	DBO decreases by 1,414
Discount Rate	DBO decreases by 1,362	DBO increases by 1,626
Withdrawal Rate	DBO increases by 474	DBO decreases by 543

Mortality (change in expected lifetime by 1 year)	DBO decreases by 13
Mortality (change in expected lifetime by 3 years)	DBO decreases by 32

Note: The sensitivity is performed on the DBO at the respective valuation date by modifying one parameter whilst retaining other parameters constant. There are no changes from the previous period to the methods and assumptions underlying the sensitivity analyses.

(I) Movement in Surplus/ (Deficit)

PARTICULARS		31.03.2023	31.03.2022
1	Surplus/ (Deficit) at start of year	16.79	(1.48)
2	Current Service Cost	(18.21)	(16.22)
3	Net Interest on net DBO	1.94	0.28
4	Re-measurements gain/ (loss)	(7.70)	1.29
5	Contributions	20.58	32.92
6	Surplus/ (Deficit) at end of year	13.40	16.79

NOTE 35
Related party transactions

(A) List Of Related Parties Where Control Exists And Relationships:

	PARTICULARS	Relationship
(i)	**Subsidairies Companies**	
1	Mitsu Foundation (Section 8 Company)	Subsidiary
(ii)	**Key Managerial Personnel (KMP)**	
1	Jagdish L Dedhia	Chairman & Whole Time Directors
2	Sanjay M Dedhia	Joint Managing Director
3	Manish M Dedhia	Joint Managing Director & CFO
4	Drishti Thakker	Company Secretary
5	Ankita Bhanushali	Company Secretary
(iii)	**Independent non-executive directors**	
1	Dilip Gosar	Independent
2	Ashish Doshi	Independent
3	Neha Huddar	Independent
4	Hasmukh Dedhia	Independent
(v)	**Relatives of KMP with whom transactions have taken place during the year.**	
1	Khushboo Dedhia	Relative of KMP

(B) Transactions with related parties (₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
(i)	**Transaction with Subsidiary**			
1	Purchase of fully paid Equity Shares	-	-	1.00
2	Donations paid towards CSR activity	1.50	24.18	16.00
(ii)	**With KMPs**			
	Expenses			
1	Short term benefits	124.21	331.65	331.12
2	Interest on loan	21.19	40.13	20.02
	Borrowings			
3	Loan Received	345.00	572.13	1,289.90
4	Repayment of loan	341.64	576.00	1,382.50
	Total	**832.03**	**1,519.91**	**3,023.54**
(iii)	**With non-executive directors**			
1	Director Sitting fees	1.80	5.65	4.10
	Total	**1.80**	**5.65**	**4.10**
(iv)	**With Relatives of KMP**			
	Expenses			
1	Salary & Bonus	8.22	**15.70**	**10.44**
	Total	**8.22**	**15.70**	**10.44**

(C) Balance at the end of year (All amounts in ₹ Lakhs, unless otherwise stated)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
(i)	**Payable to KMPs, relatives and other parties**			
1	Loans	428.37	425.00	428.87
2	Interest			-
3	Remuneration	-	17.92	38.96
4	Director Sitting Fees			-
5	Salary & Bonus	1.55	1.51	1.64

NOTE 36
Gearing Ratio (₹ in Lakh)

PARTICULARS		30.09.2023	31.03.2023	31.03.2022
1	Long term borrowings	3,773.00	3,764.21	2,855.08
2	Current maturities of long term debt	1,177.21	1,005.48	1,328.02
3	Short term borrowings	3,235.44	2,939.10	2,532.04
4	Less: Cash and cash equivalent	(6.37)	(10.36)	(213.64)
5	Less: Bank balances other than cash and cash equivalents	(0.18)	(0.18)	(0.18)
6	Net debt	8,179.09	7,698.26	6,501.31
7	Total equity	6,502.98	6,242.30	5,091.74
8	Gearing ratio	0.56	0.55	0.56

NOTE 37
Ratios

SR NO.	RATIOS	NUMERATOR	DENOMINATOR	FY 2022-23	FY 2021-22	% VARIANCE (FY 2022 and 2023)	REASON FOR VARIANCE
1	Current ratio (in times)	Total current assets	Total current liabilities	1.27	1.34	-5.61	NA
2	Debt-equity ratio (in times)	Debt consists of Short Term as well as Long Term Borrowings	Total equity	1.23	1.32	-6.36	NA
3	Debt service coverage ratio (in times)	Earning for Debt Service = Profit after taxes + Depreciation and Amortisation + Interest	Debt service = Interest + Principal repayments	1.20	1.52	-20.96	NA
4	Return on equity ratio (in %)	Profit After Tax	Total equity	18.91%	22.59%	-16.27	NA
5	Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	10.07	9.95	1.25	NA
6	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.97	7.30	-4.54	NA
7	Trade payables turnover ratio (in times)	Net Purchases	Average trade payables	10.96	13.77	-20.37	NA
8	Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	15.85	17.07	-7.15	NA
9	Net profit ratio (in %)	Net Profit After Tax	Revenue from operations	3.82%	4.46%	-14.38	NA
10	Return on capital employed (in %)	Profit before tax and finance costs	Capital employed= Total Equity +Non current borrowing + current Borrowing + Deferred Tax Liabilities - Intangible Assets	15.00%	17.87%	-16.05	NA
11	Return on investment						
	(a) On Equity Instruments	Dividend Income + Gain/Loss on Investments	Average Value of Investments in Equity Instuments	0.00	85.89	-100.00	The company has sold investment and realised gain in last financial year
	(b) On Mutual Funds/ETFs	Dividend Income + Gain/Loss on Investments	Average Value of Mutual Funds & ETFs	9.01	2.44	269.11	The company has sold ETF towards the end of the FY 22-23. However while calculating ratio, the average value of ETF during the year is considered

NOTE : 38

Financial instruments

Fair values

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 Company takes in to 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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, Level 2 or Level 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 measurements 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.

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use Unobservable inputs in the model, of which the significant unobservable inputs are disclosed in Note 41(B). Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

NOTE : 39

Financial risk management objectives and policies:

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks providing an assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(A) Financial risk management

The management of the company is responsible to oversee the Risk Management Framework for developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

(B) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

(C) Foreign currency risk management

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw materials. The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency. In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts and options. In respect of imports and other payables, the Company hedges its payables as when the exposure arises. Short term exposures are hedged progressively based on their maturity.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting period are disclosed in Note 42

(D) Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents and financial guarantees.

Trade receivables

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.

Credit risk on receivables is also mitigated by securing the same against letters of credit and guarantees of reputed nationalised and private sector banks. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables. Company has also taken insurance cover of trade receivable exposure to mitigate credit risk.

Cash and cash equivalents

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks and other counterparties. The Company's maximum exposure in this respect is the maximum amount of the Company would have to pay if the guarantee is called upon.

(E) Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long- term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Collateral

The Company has pledged part of its trade receivables, cash and cash equivalents and all current assets to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered.

Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 30% and 70%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments. Company's gearing ratio at the end of the reporting period are disclosed in Note 36

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

NOTE 40
Financial Instruments

(A) Accounting Classification and Fair Value

(₹ in Lakh)

	Financial Assets / Financial Liabilities	As at 30th September 2023		As at 31st March 2023		As at 31st March 2022	
		FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
(i)	**Financial Assets**						
1	Non Current Investments	-	1.00	-	1.00	30.92	1.00
2	Loans		17.78	-	16.64	-	15.75
3	Trade Receivables		4,775.86	-	4,721.95	-	4,144.95
4	Cash & Cash Equivalents		6.37	-	10.36	-	213.64
5	Other Bank balances		0.18	-	0.18	-	0.18
6	Other financial assets		426.68	-	413.43	-	374.56
(ii)	**Financial liabilities**						
1	Borrowings		8,185.65	-	7,708.80	-	6,715.14
2	Trade payables		1,409.02	-	2,356.11	-	1,418.93
3	Other Financial Liability		81.53	-	25.09	-	21.11

The management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, other financial assets borrowings, trade payables and other financial liabilities at their respective carrying value because their carrying amounts are a resasonable approximation of the fair values due to their short-term nature.

(B) Fair Value Measurements hierarchy

(₹ in Lakh)

	Financial Assets / Financial Liabilities	As at 30th September 2023			As at 31st March 2023			As at 31st March 2022		
		Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Quoted Price in Active Market (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
(i)	**Financial Assets**									
1	Non Current Investments	-	-	-	-	-	-	30.92	-	-

MITSU CHEM PLAST LIMITED
OTHER NOTES TO FINANCIAL STATEMENTS

NOTE 41
Foreign Currency Exposure

($ & ₹ in Lakh)

	Particulars	As at September 30, 2023		As at March 31, 2023		As at March 31, 2022	
		US$ equivalent	INR Equivalent	US$ equivalent	INR Equivalent	US$ equivalent	INR Equivalent
(A)	**Assets**						
1	Advance to creditors	-	-	1.14	93.86	0.31	23.56
(B)	**Liabilities**						
1	Trade Payables	10.41	864.55	20.81	1,711.24	11.09	840.73

NOTE 42
The Company did not have any material transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the financial year.

NOTE 43
Additional Disclosures

(a) The Company does not hold any benami property and no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
(b) The Company has registered charges with Registrar of Companies (RoC) wherever applicable.
(c) The company is not declared as willful defaulter by any bank or Financial Institution or any lender.
(d) The funds borrowed for short term purposes have not been utilized for any other purpose / long term purposes
(e) The Company does not trade or invest in crypto currency.
(f) To the best of the Company's knowledge and information, there are no transactions which are not recorded in the books of account or have been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

NOTE 44
Previous year figures have been regrouped to comply with current year groupings.

As per our report of even date attached
For Gokhale & Sathe
Chartered Accountants
FRN: 103264W

Tejas Parikh
(Partner)

Membership No. 123215

GOKHALE & SATHE MUMBAI CHARTERED ACCOUNTANTS FIRM No. 103264W

For Mitsu Chem Plast Limited

Sanjay Dedhia
Managing Director
DIN: 01552883

MITSU CHEM PLAST LTD. 25920055

Manish Dedhia
(CFO)
DIN: 01552841

Ankita B.
Ankita Bhanushali
Company Secretary

Place: Mumbai
Date: October 30, 2023

gokhale & sathe
(regd.)
chartered accountants

304/308/309, udyog mandir no 1,
7-c, bhagoji keer marg,
mahim, mumbai 400 016.

Independent Auditors' Limited Review Report on Quarterly Unaudited Financial Results of the Mitsu Chem Plast Limited pursuant to regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015, as amended.

To
The Board of Directors of
Mitsu Chem Plast Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Mitsu Chem Plast Limited ("the Company") for the quarter ended 30 September 2023 and year-to-date results for the period from 1st April 2023 to 30th September 2023 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulation 2015 ('the Regulation') as amended (the "Listing Regulations").

2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (IND AS 34), prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

tel.: (022) 43484242 | office@gokhalesathe.in

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standard specified under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognized accounting principles and policies has not disclosed the information required to be disclosed in terms of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Gokhale & Sathe
Chartered Accountants
Firm Registration No.: 103264W

GOKHALE & SATHE
MUMBAI
FIRM No. 103264W
CHARTERED ACCOUNTANTS

Tejas Parikh
Partner
Membership Number - 123215
UDIN: -23123215BGQLIN1264
Place: Mumbai
Date: 30 October 2023

Mitsu Chem Plast Ltd.

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Mulund (W), Mumbai - 400 080, Maharashtra, INDIA.

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CIN : L25111MH1988PLC048925

Mitsu
You visualise...we mold

Statement of Unaudited Financial Results for the quarter and half year ended 30th September 2023

(Rs.in lakhs except Earning Per Share)

PARTICULARS	3 months ended 30.09.2023	3 months ended 30.06.2023	3 months ended 30.09.2022	Half Year Ended 30.09.2023	Half Year Ended 30.09.2022	Year Ended 31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income						
(a) Revenue from Operations	7,578.21	7,972.05	6,957.66	15,550.26	15,413.66	30,897.45
(b) Other Income	22.55	27.02	24.80	49.57	37.83	35.53
Total Income	**7,600.76**	**7,999.07**	**6,982.46**	**15,599.82**	**15,451.49**	**30,932.98**
2. Expenses						
(a) Cost of Material Consumed	4,931.12	5,367.45	4,707.34	10,298.57	10,395.69	20,562.06
(b) Purchase of stock in trade	-	-	-	-	-	-
(c) Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	92.15	(16.81)	59.41	75.34	(211.57)	(133.44)
(d) Employee Benefits Expenses	516.49	569.78	463.84	1,086.27	965.94	1,994.41
(e) Finance Cost	212.09	204.24	146.48	416.34	309.06	683.47
(f) Depreciation and Amortisation Expenses	146.24	141.98	126.43	288.21	249.13	527.96
(g) Other Expenses	1,495.99	1,548.79	1,291.03	3,044.78	2,887.38	5,815.17
Total expenses	**7,394.09**	**7,815.42**	**6,794.54**	**15,209.51**	**14,595.64**	**29,449.62**
Profit Before Exceptional and Extraordinary Items and Tax	**206.67**	**183.65**	**187.92**	**390.32**	**855.85**	**1,483.35**
4. Exceptional Items	-	-	-	-	-	-
5. Profit/(Loss) before tax (3-4)	**206.67**	**183.65**	**187.92**	**390.32**	**855.85**	**1,483.35**
6. Total Tax Expenses	**56.71**	**48.79**	**34.08**	**105.49**	**186.22**	**302.89**
- Current Tax	44.43	41.23	40.68	85.66	208.92	321.05
- Tax Expenses of Earlier Years	-	-	-	-	-	1.06
- Deferred Tax	12.28	7.56	(6.60)	19.83	(22.70)	(19.23)
7. Net Profit/(Loss) for the period (5-6)	**149.97**	**134.86**	**153.84**	**284.83**	**669.63**	**1,180.46**
8. Other comprehensive income, net of tax						
A (i) Items that will not be reclassified to profit or loss	-	-	-	-	-	(7.70)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	(1.94)
9. Total Other comprehensive income, net of tax	-	-	-	-	-	**(5.76)**
10. Total comprehensive income (7+9)	**149.97**	**134.86**	**153.84**	**284.83**	**669.63**	**1,174.70**
11 Paid up equity share capital (Face Value of ` 10 Each)	1,207.26	1,207.26	1,207.26	1,207.26	1,207.26	1,207.26
12. Other Equity excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	-	-	5,035.04
13. Basic Earning Per Share (EPS) (Rs)	**1.24**	**1.12**	**1.27**	**2.36**	**5.55**	**9.78**
14. Diluted Earning Per Share (EPS) (Rs)	**1.24**	**1.12**	**1.27**	**2.36**	**5.55**	**9.78**

For Mitsu Chem Plast Limited

Manish Dedhia
Managing Director
DIN: 01552841
Place: Mumbai
Date: October 30, 2023

MITSU CHEM PLAST LTD. * 25920055 *

Mitsu Chem Plast Ltd.
329, Gala Complex, Din Dayal Upadhyay Road,
Mulund (W), Mumbai - 400 080, Maharashtra, INDIA.
T : + 91 22 25920055
E : mcpl@mitsuchem.com **W** : www.mitsuchem.com
CIN : L25111MH1988PLC048925

Mitsu
You visualise...we mold

Notes :-

1. The above standalone financial results of the Company were reviewed and recommended by the audit committee on 30th October 2023 and subsequently approved by the Board of Directors at its meeting held on the 30th October 2023.
2. The above financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as amended, prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.
3. The financial results for the quarter ended 30th September 2023 have been subjected to limited review by the statutory auditors of the Company. The statutory auditor has issued an unqualified review opinion on the financial results.
4. The figures for the quarter ended 30th September 2023 are balancing figures between reviewed figures of quarter ended 30th June 2023 and reviewed year to date figures upto six month ended 30th September 2023.
5. The Company is engaged in the business of Injection Moulding and Blow Moulding plastic articles such as Industrial containers, Healthcare furniture, and automotive components. There is no separate reportable segment in terms of IND AS-108 and hence there is no requirement of segment reporting.
6. There are no investor complaints pending as on 30th September 2023.
7. Previous periods' figures have been regrouped / reclassified where required to make them compatible with the figures of current periods.

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Statement Of Assets And Liabilities as on 30th September 2023

(Rs.in lakhs)

	STATEMENT OF ASSETS AND LIABILITIES	30.09.2023	31.03.2023
	PARTICULARS	**Unaudited**	**Audited**
II	**ASSETS**		
1	**Non-current assets**		
a	Property, plant and equipment	7,243.46	7,175.62
b	Capital work-in-progress	1,122.34	986.00
c	Investment Property	-	-
d	Goodwill	-	-
e	Other Intangible assets	34.63	37.59
f	Intangible assets under development	-	-
g	Biological Assets other than bearer plants	-	-
h	Financial assets		
	(i) Investments	1.00	1.00
	(ii) Trade Receivables	-	-
	(iii) Loans	-	-
	(iv) Others financial assets	138.66	164.00
i	Deferred tax assets (Net)	-	-
j	Other non current assets	484.86	481.64
	Total Non Current Assets	**9,024.94**	**8,845.85**
2	**Current assets**		
a	Inventories	2,710.11	3,207.21
b	Financial assets		
	(i) Investments		-
	(ii) Trade Receivables	4,775.86	4,721.95
	(iii) Cash & Cash Equivalents	6.37	10.36
	(iv) Bank balances other than (iii) above	0.18	0.18
	(v) Loans	17.78	16.64
	(vi) Other financial assets	401.01	347.21
c	Current Tax Assets (Net)	13.20	7.61
d	Other current assets	521.35	544.71
	Total Current Assets	**8,445.86**	**8,855.86**
	Total Assets	**17,470.80**	**17,701.71**
I	**EQUITY AND LIABILITY**		
1	**Equity**		
a	Equity Share Capital	1,207.26	1,207.26
b	Other Equity	5,295.72	5,035.04
	Total Equity	**6,502.98**	**6,242.30**
2	**Non-Current Liabilities**		
a	Financial liabilities		
	(i) Borrowings	3,773.00	3,764.21
	(ia) Lease Liabilities		-
	(ii) Trade Payables		
	(A) Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
	(B) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	-	-
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)	-	-
b	Provisions		-
c	Deffered tax liability (net)	552.27	532.43
d	Other non current liabilities	42.64	163.08
	Total Non Current Liabilities	**4,367.90**	**4,459.73**
3	**Current Liabilities**		
a	Financial Liabilities		
	(i) Borrowings	4,412.65	3,944.58
	(ia) Lease Liabilities	-	-
	(ii) Trade payables	-	-
	(A) Total outstanding dues of Micro Enterprises and Small Enterprises	162.20	144.97
	(B) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,246.82	2,211.15
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)	96.45	39.63
b	Other Current Liabilities	445.32	431.88
c	Provisions	236.48	227.47
d	Current Tax Liabilities (Net)	-	-
	Total Current Liabilities	**6,599.92**	**6,999.68**
	Total Liabilities	**10,967.82**	**11,459.41**
	Total Equity and Liabilities	**17,470.80**	**17,701.71**

For Mitsu Chem Plast Limited

Manish Dedhia
Managing Director
DIN: 01552841
Place: Mumbai
Date: October 30, 2023

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Statement of Cash Flows for the half year ended 30th September 2023

(Rs.in lakhs)

		PARTICULARS	30.09.2023 ₹	30.09.2022 ₹
I)		**CASH FLOW FROM OPERATING ACTIVITIES**		
		Net profit before Tax	**390.32**	**855.85**
	Add:	Profit/ Loss on Sale of Property, Plant & Equipments	1.05	-
		Provision for doubtful debts / Advances	8.50	-
		Depreciation	288.21	249.13
		Interest Expense	392.15	285.50
		Adjustment for Non-Cash and Non-operating Items		
	Less:	Interest Income	(12.32)	(10.77)
		Reversal of Provision for doubtful debts / Advances	-	(7.70)
		Dividend Received	-	(0.60)
		Operating profits before working capital changes	**1,067.90**	1,371.41
		Changes in Working Capital & Operating Assets & liabilities		
		Increase/(Decrease) in Trade Payables	(947.09)	987.26
		(Increase)/Decrease in Other Current Assets	23.36	(197.34)
		Increase/(Decrease) in Short Term Provisions	9.00	53.93
		Increase/(Decrease) in Other Current Financial Liabilities	0.38	0.03
		(Increase)/Decrease in Inventories	497.10	(580.08)
		(Increase)/Decrease in Trade Receivables	(62.41)	40.54
		(Increase)/Decrease in Other Non Current Assets	(10.17)	-
		Increase/(Decrease) in Other Current Liabilities	13.44	(96.36)
		(Increase)/Decrease in Short Term Loans & Advances	(1.14)	(4.72)
		(Increase)/Decrease in Other Financial Assets	(4.14)	6.69
		(Increase)/Decrease in Non Current Assets	-	(166.32)
		Cash generated from operations	586.24	1,412.05
	Less:	Taxes paid	91.26	255.29
		NET CASH FLOW FROM OPERATNG ACTIVITIES	**494.98**	**1,156.77**
II)		CASH FLOW FROM INVESTING ACTIVITIES		
	Add:	Interest Income	12.32	10.77
		Sale of Fixed Assets	0.52	-
		Dividend Received	-	0.60
	Less:	Addition to Fixed Assets (Including WIP)	(613.06)	(1,560.81)
		Term Deposits (Net)	(15.74)	(47.19)
		Purchase of Investment		(0.53)
		NET CASH FLOW FROM INVESTING ACTIVITIES	**(615.96)**	**(1,597.15)**
III)		**CASH FLOW FROM FINANCING ACTIVITIES**		
	Add:	Increase/(Decrease) in Long Term Borrowings	180.53	(418.33)
		Increase/(Decrease) in Short Term Borrowings	296.33	914.54
	Less:	Dividend & DDT Paid	(24.15)	(24.15)
		Interest Expense	(335.71)	(240.41)
		NET CASH FLOW FROM FINANCING ACTIVITIES	**117.01**	**231.65**
IV)		**NET INCREASE / (DECREASE) IN CASH**	**(3.98)**	**(208.73)**
a)	Add:	**Cash & Cash Equivalent at the beginning of the year**		
		Cash on Hand	0.91	1.21
		Bank Balance	9.45	212.43
			10.36	**213.64**
b)	Less:	**Cash & Cash Equivalent at the end of the year**		
		Cash on Hand	1.08	1.19
		Bank Balance	5.29	3.72
			6.37	**4.91**
		NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENT	**(3.98)**	**(208.73)**

For Mitsu Chem Plast Limited

MMDedhia

Manish Dedhia
Managing Director
DIN: 01552841
Place: Mumbai
Date: October 30, 2023

MITSU CHEM PLAST LTD. ★25920055★

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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 together with our Unaudited Financial Results for the six months period ended September 30, 2023 and Audited Financial Statement as of and for the fiscal ended March 31, 2023 included in this Draft Letter of Offer. Our Unaudited Financial Results for the six months period ended September 30, 2023 and Audited Financials Statement for Fiscal 2023 are prepared in accordance with the provisions under the Companies Act, 2013 and Ind AS, including the notes and schedules thereto, included in the section titled "Financial Information" on page 114.

This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the sections titled "Risk Factors" and "Forward Looking Statements" on pages 24 and *18* respectively.

Our fiscal year ends on March 31 of each year, so all references to a particular "fiscal year" and "Fiscal" are to the twelve (12) month period ended March 31 of that fiscal year. Unless otherwise specified, all amounts in this section are stated on a basis. In this section, any references to the "Company", "we", "us" and "our" is refer to on a basis, as applicable in the relevant fiscal period, unless otherwise stated.

OVERVIEW

We are a packaging solutions provider engaged in the business of manufacturing polymer based molded products mainly used for industrial packaging for industries like chemicals, agrochemicals, pharmaceuticals, lubricants, food and edible oil. We also manufacture polymer based molded hospital furniture parts which are supplied to hospital furniture manufacturing companies. We also cater to the polymer-based product requirements of various other industries including automobile and infrastructure. We use blow molding and injection molding technologies for manufacturing our products. Our product verticals include the following:

- **Molded Industrial Packaging** – Blow molding products such as jerry cans, bottles, drums (wide mouth, narrow mouth, open top), barrels, carboys, open top drums, jars, etc. ranging from 100 ml to 250 litres. Injection molding products such as caps, closures, bungs, lids, handles, lugs, measuring cups, glass bottle caps, etc.

  Hospital Furniture Parts - Head bows, side railings, planks commonly known as ABS panels, over bed tabletop, bed side locker parts, spine boards, CPR boards, etc.

- **Others** - Plastic parts of chairs used in school, bus and sports stadiums, medical devices such as pregnancy kit, malaria kit, HIV kit, inhalers and automotive components

Our Revenue from Operations across product verticals is as follows -
(₹ in lakhs)

Product	**Half Year Ended Sept 2023**		**Fiscal March 2023**		**Fiscal March 2022**	
	Amount	**% of Revenue from Operations**	**Amount**	**% of Revenue from Operations**	**Amount**	**% of Revenue from Operations**
Molded Industrial Packaging	13,379.83	86.04	26,135.57	84.59	21,611.17	83.86
Hospital Furniture parts	1,279.38	8.23	2,700.77	8.74	3,598.17	13.96
Others	891.05	5.73	2,061.11	6.67	562.37	2.18
Total	15,550.26	**100.00**	30,897.45	**100.00**	**25,771.71**	**100.00**

Our products are marketed and sold under the registered brand name Mitsu having more than 500 SKUs catering to more than 500 clients on a continuous basis.

We have three (3) strategically located manufacturing units out of which two (2) are situated at Tarapur MIDC, Maharashtra and the third unit is situated at Khalapur, Maharashtra. The total installed capacity of our manufacturing units is 24,219 MTPA.

We undertake in-house research and development for designing solution-based polymer products which help our clients in solving issues faced by them. We have developed various new products either independently or in consultation with our clients. We have registered Eight (8) designs for hospital bed parts like head bow and foot bow. We have received registration of a patent for head and foot bows for hospital bed with inbuilt cardio pulmonary resuscitation board (CPR) profile.

We have obtained ISO 9001:2015 (QMS), ISO 14001:2015 (EMS) and ISO 45001:2018 (OHSMS) certification for design, manufacture and supply of plastic containers, automotive parts, furniture parts and other related products. We have also obtained ISO 13485:2016 (MDQMS) for design, manufacture and supply of plastic healthcare & hospital bed furniture products, other hospital furniture related products, emergency & rescue products along with related accessories. Further, we have obtained the Certificate of Conformity for Spine Board (*plastic blow molded*) identified by the symbol "CE".

Financial Overview

Particulars	**Half Year Ended Sept 2023**	**Fiscal 2023**	**Fiscal 2022**
Revenue from operations	15,550.26	30,897.46	25,771.71
EBITDA$^{(1)}$	1,045.30	2,659.27	2,567.63
EBITDA margin (%)$^{(2)}$	6.72	8.61	9.96
PAT	284.83	1,180.46	1,149.99
PAT Margin (%)	1.83	3.82	4.44
Net Debt$^{(3)}$	8,179.09	7,698.26	6,501.32
Total Equity	6,502.98	6,242.30	5,091.73
ROE (%)$^{(4)}$	4.38%	18.91%	22.59%
ROCE (%)$^{(5)}$	5.30%	15.00%	17.87%
EPS (Basic & Diluted) $^{(6)}$	2.36	9.78	9.53

$^{(1)}$EBITDA = Profit before tax + depreciation & amortization expense + finance cost- other income.
$^{(2)}$EBITDA Margin = EBITDA/ revenue from operations.
$^{(3)}$Net debt = non-current borrowing + current borrowing - Cash and Cash Equivalent, Bank Balance, and Investment in Mutual Funds.
$^{(4)}$ROE = Net profit after tax /Total equity.
*$^{(5)}$ROCE = Earnings before interest and taxes (EBIT) / Capital employed**
**Capital employed = Equity +Non-current borrowing + current Borrowing + Deferred Tax Liabilities –*

Intangible Assets
[6]EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our financial performance and results of operations are influenced by a variety of factors as discussed below as well as in the section titled "*Risk Factors*" beginning on page 24 of this Draft Letter of Offer.

Economic conditions in the markets in which we operate

Our results of operations are dependent on the overall economic conditions in the markets in which we operate. Any change in macro-economic conditions in these markets, including changes in interest rates, government policies or taxation and political, economic or other developments could affect our business and results of operations. The plastic industry in India may perform differently and be subject to market and regulatory developments that are dissimilar to the markets in other parts of the world. While stronger macro-economic conditions tend to result into higher demand for our products, weaker macro-economic conditions tend to result into lower demand. Change in demand in the market segments we currently supply or improvement/deterioration in the market or a change in regulations, customs, taxes or other trade barriers or restrictions could affect our operations and financial condition.

Diverse customer base

Our customer portfolio is well diversified and we are serving more than 500 customers on regular basis. We have historically derived, and may continue to derive, a significant portion of our income from our top 50 customers. In Fiscals 2023 and 2022, our top 50 customers represented 55.18% and 57.01%, respectively, of our total revenues from operations in such periods. While our top 10 customers represented 25.81% and 25.35% of our total revenues from operations in Fiscal 2023 and 2022, respectively. Any reduction in orders from our top ten or top 50 customers would adversely affect our revenues. The demand from our major customers, top 50 customers, determines our revenue levels and results of operations, and our revenues are directly affected by their production and inventory levels. Over the years, we have developed strong relationships with our customers through whom we have been able to expand our product offerings and also our geographic reach. Our business depends on the continuity of business with these customers.

Raw material availability and price fluctuations

Our cost of raw materials consumed constitutes the largest component of our cost structure. For the Fiscal 2023 and 2022, , our cost of raw materials consumed amounted to ₹ 19,245.16 lakhs and ₹ 15,253.74 lakhs~~,~~ respectively, which represented 62.22% and 58.93%~~,~~ respectively of our total income for the respective fiscals. Our major raw materials include Polymer including polypropylene and polyethylene which are derived from crude oil and is therefore subject to major price fluctuations in crude oil. The prices of crude have been volatile in the past and any increase in the prices of crude has impact on our cost of raw material consumed. We currently source most of our key raw materials from domestic vendors. We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials under contracts of shorter periods. As we continue to grow our product portfolio and increase our production capacities, we would need to procure additional volumes of raw materials. We are thus exposed to fluctuations in availability and prices of our raw materials, including on account of exchange rate fluctuations, and we may not be able to effectively pass on any increase in cost of raw materials to our customers, which may adversely affect our margins, sales, results of operations and cash flows. Any inability on our part to procure sufficient quantities of raw materials and on commercially acceptable terms, could lead to a lower sales volumes and profit margins.

Government approvals, licenses, regulations and policies

We require certain approvals, licenses, registrations and permissions for our operations. For further details, please refer to section titled "*Government and Other Approvals*" beginning on page 193 of this Draft Letter of Offer. While we believe we will be able to obtain, maintain and renew such approvals or permits as required, there can be no assurance that we can do so in the timeframes anticipated by us, or at all. If we fail to obtain, maintain or renew any of these approvals or permits in a timely manner or at all, our operations and expansion plans may be interrupted, which could adversely affect our growth strategy, business and results of operations. If we fail to comply or a regulator alleges that we have not complied with these conditions, our business and results of operations could be adversely affected.

Capacity utilization and operating efficiencies

Capacity and capacity utilization of our manufacturing units for the last two years

Details of Manufacturing Unit	**Particulars**	**Fiscal**	
		2023	**2022**
Unit I	Installed Capacity (in MTPA)	4,705	4,705
	Utilised Capacity (in MTPA)	3,630	3,485
	Utilised Capacity (%)	77.16	74.08
Unit II	Installed Capacity (in MTPA)	4,930	4,973
	Utilised Capacity (in MTPA)	2,866	2,922
	Utilised Capacity (%)	58.14	58.77
Unit III	Installed Capacity (in MTPA)	14,584	13,179
	Utilised Capacity (in MTPA)	9,822	8,215
	Utilised Capacity (%)	67.35	62.33

Higher capacity utilization results in greater production volumes and higher sales, and allows us to spread our fixed costs over a higher quantity of products sold, thereby increasing our profit margins. Our capacity utilization is affected by the product requirements of, and procurement practice followed by, our customers. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, or an inability to fully realize the benefits of our recently implemented capacity expansion at our Unit III, could materially and adversely impact our business, growth prospects and future financial performance. Consistent with past practice, we will look to add capacities in a phased manner to ensure that we utilize our capacity at optimal levels. We continuously focus on improving our operational efficiencies and reducing operating costs in order to improve our results of operations. We also focus on continuously upgrading the quality and functionality of our products and manufacturing processes addressing specific customer requirements and market segments and to improve operational efficiencies.

Competition

Plastics products being a global industry, we face competition from various domestic manufacturers and traders. Competition emerges from organised as well as unorganised players in the plastic product industry. The organised players in the industry compete with each other by providing high quality, consistent and time bound products, customization and innovation. We have a number of competitors offering products similar to us. We ensure the product quality, timely delivery, product innovation, customization in products which helps us to maintain strong relationship with our customers which in turn provides edge over our competitors.

NON-GAAP MEASURES

Earnings before Interest, Taxes, Depreciation and Amortization Expenses ("EBITDA")/ EBITDA Margin

EBITDA and EBITDA Margin, presented in this Draft Letter of Offer is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, EBITDA and EBITDA Margin are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, EBITDA and EBITDA Margin, are not standardized terms, hence a direct comparison of these Non-GAAP measures between companies may not be possible. Other companies may calculate these Non-GAAP measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Reconciliation of EBITDA and EBITDA margin to profit/ (loss) before tax

The table below reconciles restated (loss) / profit for the year to EBITDA. EBITDA is calculated as profit/loss for the year/ period before tax, plus finance costs, depreciation and amortization expenses, impairment on property, plant and equipment less other income, while EBITDA Margin is the percentage of EBITDA divided by revenue from operations.

Particulars	Half year Ended September 2023	Fiscal March 2023	Fiscal March 2022
Profit/(Loss) before tax	**390.33**	**1,483.35**	**1,640.96**
Adjustments:			
Add: Finance costs	416.34	683.47	559.87
Add: Depreciation and Amortization expense	288.21	527.96	481.58
Add: Impairment of property, plant and equipment	0.00	0.00	0.00
Less: Other income	49.57	35.53	114.78
Earnings before interest, taxes, depreciation and amortization expenses (EBITDA) (A)	1,045.30	2,659.25	2,567.63
Revenue from operations (B)	15,550.26	30,897.46	25,771.71
EBITDA Margin (EBITDA as a percentage of revenue from operations) (A/B)	6.72%	8.61%	9.96%

SIGNIFICANT ACCOUNTING POLICIES

For disclosure of our Significant Accounting policies as at and for the year ended March 31, 2023, as required by Ind AS and other applicable standards, see section titled *"Financial Information"* on page. 114.

RESULTS OF OPERATIONS

Description of the major components of revenue and expense items:

Revenue

Revenue from Operations

Revenue from operations comprised sale of products from three product verticals, namely (i) molded industrial packaging (ii) hospital furniture parts and (iii) others.

Other Income

Other income comprised interest income, foreign exchange fluctuation gain (net), gains on fair valuation of investment and gain on sale of investments amongst others.

Expenses

Expenses comprised of cost of materials consumed, purchase of stock-in-trade, changes in inventories of finished goods, work in-progress and stock in trade, employee benefits expense, finance costs, depreciation and amortization expenses and other expenses. Our largest amount of expenditure is cost of materials consumed, labour contract charges, power and fuel expenses and transportation expenses.

Cost of material consumed

Cost of material Consumed include value of inventory of raw material, packing material, trading material and accessories at the beginning of the period along with value purchased during the period less value at the end of period.

Changes in inventories of finished goods and work-in-progress

Changes in inventories of finished goods and work-in-progress comprises of expenses attributable to an increase or decrease in inventory levels during the relevant financial year/period in finished goods and work in progress.

Employee benefits expense

Employee benefits expense comprised of salary and wages, directors remuneration, contribution to provident funds and other funds, gratuity and staff welfare expenses.

Finance cost

Finance cost comprised interest on working capital facilities, term loans, vehicle loans, LC commission, interest on unsecured loans and bank charges and other finance cost.

Depreciation and amortization expenses

Depreciation and amortization expenses comprised depreciation on property, plant and equipment and amortization of intangible assets.

Other expenses

Other expenses primarily comprise of labour contract charges, power & fuel, consumption of stores and spares, Legal and professional charges, rent, Repairs and Maintenance, transportation, screen printing charges and tempo & fuel expense.

Tax expense

Our tax expense or credit for the period represents the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

RESULTS OF OPERATIONS

The following table set forth below vertical wise revenue from operations of our Company:

The following table sets forth selected financial data from the Restated Financial Statements, the components of which are also expressed as a percentage of total income for the periods indicated:

(*₹ in lakhs*)

Particulars	**Half Year Ended September 2023**		**Fiscal 2023**		**Fiscal 2022**	
	Amount	**% of Total income**	**Amount**	**% of Total income**	**Amount**	**% of Total income**
Revenue From Operations	15,550.26	99.68	30,897.46	99.89	25,771.71	99.56
Other Income	49.57	0.32	35.53	0.11	114.78	0.44
Total Income	**15,599.83**	**100.00**	**30,932.98**	**100.00**	**25,886.49**	**100.00**
Operating Expenses						
Cost of Material Consumed	10,298.57	66.02	20,562.06	66.47	16,597.93	64.12
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	75.33	0.48	-133.44	-0.43	(185.90)	-0.72
Employee Benefits Expenses	1,086.27	6.96	1,994.41	6.45	1,727.47	6.67
Other Expenses	3,044.78	19.52	5,815.17	18.80	5,064.58	19.56
Total Operating Expenses	**14,504.95**	**92.98**	**28,238.19**	**91.29**	**23,204.08**	**89.64**
EBIDTA*	**1,045.30**	**6.72**	**2,659.27**	**8.61**	**2,567.63**	**9.96**

Particulars	Half Year Ended September 2023		Fiscal 2023		Fiscal 2022	
	Amount	**% of Total income**	**Amount**	**% of Total income**	**Amount**	**% of Total income**
Less: Depreciation and Amortisation Expenses	288.21	1.85	527.96	1.71	481.58	1.86
Less: Finance Cost	416.34	2.67	683.47	2.21	559.87	2.16
Profit Before Tax	**390.33**	2.50	**1,483.37**	**4.80**	**1,640.96**	**6.34**
Less: Income Tax Expenses	105.49	0.68	302.89	0.98	490.97	1.90
Profit After Tax	**284.83**	1.83	**1,180.46**	**3.82**	**1,149.99**	**4.44**

**EBIDTA percentage is expressed as a percentage of Revenue from operations*

COMPARISION OF HISTORICAL RESULTS OF OPERATIONS:

FISCAL 2023 COMPARED TO FISCAL 2022

Revenue

Total income increased by 19.49% to ₹ 30,932.98 lakhs for Fiscal 2023 from ₹25,886.49 lakhs for Fiscal 2022, primarily due to an increase in revenue from operations.

<u>Revenue from Operations</u>

Revenue from operations increased by 19.89% % to ₹ 30,897.46 lakhs for Fiscal 2023 from ₹ 25,771.71 lakhs for Fiscal 2022 primarily due to (i) increase in revenues from molded industrial packaging and hospital furniture parts product verticals; (ii) the revenues from molded industrial packaging vertical has increased by 20.94% % to ₹ 26,135.57 lakhs for Fiscal 2023 from ₹ 21,611.17 lakhs for Fiscal 2022 primarily on account of increase in volume of sales and increase in sales price.

<u>Other Income</u>

Other income decreased by 69.05% to ₹ 35.53 lakhs for Fiscal 2023 from ₹ 114.78 lakhs for Fiscal 2022 primarily on account of (i) decrease in insurance claim received by ₹ 18.72 lakhs; ii) decrease in gain on sale of non-current investment by ₹ 19.80 Lakhs; and iii) decrease in gain on license utilization by ₹ 6.39 lakhs and (iv) decrease in foreign exchange gain by ₹ 39.30 lakh.

Expenses

<u>Cost of materials consumed</u>

Cost of materials consumed increased by 23.88% to ₹ 20,562.06 lakhs for Fiscal 2023 from ₹ 16,597.93 lakhs for Fiscal 2022. This increase was primarily due to an increase in our Company's requirement for raw materials in order to meet orders for our Company's products.

- The raw material cost has increased to ₹ 19,245.16 lakhs for Fiscal 2023 from ₹ 15,253.74 lakhs for Fiscal 2022 primarily on account of increase in requirement of raw material due to increased volume of sales.
- The packaging material expenses has increased to ₹ 376.23 lakhs for Fiscal 2023 from ₹ 348.72 lakhs for Fiscal 2022 primarily on account of increase in sales volume.
- The other consumables expenses have decreased to ₹ 859.34 lakhs for Fiscal 2023 from ₹ 966.73 lakhs for Fiscal 2022.

However, the cost of raw material consumed as a percentage of total income has increased to 66.47% in Fiscal 2023 from 64.12% in Fiscal 2022 on account of increase sales volume and raw material prices.

<u>Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade</u>

Our opening stock of finished goods for Fiscal 2023 was ₹ 247.97 lakhs, while it was ₹ 185.47 lakhs for Fiscal 2022. Our closing stock of finished goods for Fiscal 2023 was ₹ 268.37 lakhs, while it was ₹ 247.97 lakhs for Fiscal 2022.

Our opening stock of work in progress for Fiscal 2023 was ₹ 342.54 lakhs, while it was ₹ 219.14 lakhs for Fiscal 2022. Our closing stock of work in progress for Fiscal 2023 was ₹ 455.58 lakhs, while it was ₹ 342.54 lakhs for Fiscal 2022.

During Fiscal 2023 the changes in inventories was ₹ 133.45 lakhs which was primarily attributable to increase in closing stock of finished goods by ₹ 20.40 lakhs and increase in closing stock of work-in-progress by ₹ 113.05 lakhs on account of increase in sales. During Fiscal 2022 the changes in inventories was ₹ 185.90 lakhs which was primarily attributable to increase in closing stock of finished goods by ₹ 62.50 lakhs and increase in closing stock of work-in-progress by ₹ 123.40 lakhs on account of increase in sales.

Employee Benefits Expense

Employee benefits expense increased by 15.45% to ₹ 1,994.41 lakhs for Fiscal 2023 from ₹ 1,727.47 lakhs for Fiscal 2022. Increase in employee benefits expense was primarily due to increase in salaries and wages from ₹ 1,227.56 in Fiscal 2022 to ₹ 1,477.83 lakhs in Fiscal 2023 because of increase in number of employees and on account of increments

Other Expenses

Other expenses increased by 14.82% to ₹ 5,815.17 lakhs for Fiscal 2023 from ₹ 5,064.58 lakhs for Fiscal 2022, primarily attributable to i) increase in labour contract charges to ₹ 1,678.50 lakhs in Fiscal 2023 from ₹ 1,588.53 lakhs in Fiscal 2022 due to increase in contract labour; ii) increase in power & fuel expenses to ₹ 1,655.15 lakhs in Fiscal 2023 from ₹ 1,433.85 lakhs in Fiscal 2022 which is line with increase in revenues; iii) increase in consumption of stores and spares to ₹ 178.66 lakhs in Fiscal 2023 from ₹ 140.52 lakhs in Fiscal 2022 due to increase in production and addition of capacities; iv) increase in repairs and maintenance to ₹ 196.97 lakhs in Fiscal 2023 from ₹ 166.34 lakhs in Fiscal 2022 due to the maintenance of plant and machineries. v) increase in transportation expenses to ₹ 1,097.10 lakhs in Fiscal 2023 from ₹ 911.45 lakhs in Fiscal 2022.

Finance Expenses

Finance Expenses increased by 22.08% to ₹ 683.47 lakhs for Fiscal 2023 from ₹ 559.87 lakhs for Fiscal 2022, primarily due to increase in interest on secured and unsecured loans.

The long-term secured loans decreased to ₹ 1,589.21 lakhs in Fiscal 2023 from ₹ 2,176.21 in Fiscal 2022 primarily on account of decrease in bank loans as a result of repayments. The current secured borrowings increased to ₹ 3,944.58 lakhs in Fiscal 2023 from ₹ 3,860.06 lakhs Fiscal 2022. Interest on secured loans increased to ₹ 494.08 lakhs for Fiscal 2023 from ₹ 419.21 lakhs for Fiscal 2022.

The unsecured loans increased to ₹ 2,175 lakhs in Fiscal 2023 from ₹ 678.87 lakhs in Fiscal 2022 primarily on account of increase in loan form financial institutions and intercorporate deposit. Interest on unsecured loans increased to ₹ 139.30 lakhs for Fiscal 2023 from ₹ 63.85 lakhs for Fiscal 2022.

Depreciation and Amortisation Expenses

Depreciation and amortization expense increased by 9.63% to ₹ 527.96 lakhs for Fiscal 2023 from ₹ 481.58 lakhs for Fiscal 2022, increased in depreciation and amortisation expenses was due to addition of fixed assets of ₹ 2,502.67 Lakhs in Fiscal 2023 primarily we have added fixed assets at our existing Unit III.

Income tax expense

Total income tax expense decreased to ₹ 302.89 lakhs for Fiscal 2023 from ₹ 490.96 lakhs for Fiscal 2022, primarily as a result of a decrease in profit before tax.

Profit before tax

As a result of the foregoing, we recorded a decrease of 9.60% in our profit before tax, which amounted to ₹ 1,483.35 lakhs for Fiscal 2023, as compared to ₹ 1,640.96 lakhs in the Fiscal.

Profit for the year after tax

As a result of the foregoing, our profit for the year increased by 2.65% to ₹1,180.46 lakhs for the financial year 2023 from ₹1,149.99 lakhs for the financial year 2022.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by statutory and regulatory authorities; (iii) tax proceedings - claims related to direct and indirect taxes in a consolidated manner; and (iv) material civil litigation which are determined to be 'material' as per a policy adopted by our Board ("**Materiality Policy**") which is Rs. 54.99 lakhs, in each case involving our Company, Subsidiary, Promoters or our Directors (collectively, the "**Relevant Parties**"). Further, there are no disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Financial Years including any outstanding action.*

It is clarified that for the purposes of the above, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by our Board, not be considered as 'material' until such time that the Relevant Parties, as applicable, is impleaded as defendant in litigation proceedings before any judicial/arbitral forum.

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. In accordance with the Materiality Policy, outstanding dues to any creditor of our Company having monetary value exceeding ₹117.81 lakhs, which is 5% of the total outstanding dues (trade payables) as per the latest fiscal in the Restated Financial Statements included in this Draft Letter of Offer, shall be considered as 'material'. Accordingly, as on March 31, 2023, any outstanding dues exceeding ₹117.81 lakhs have been considered as 'material outstanding dues' for the purpose of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or 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.*

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of the date of this Draft Letter of Offer.

I. LITIGATIONS INVOLVING OUR COMPANY

A. Outstanding criminal litigations involving our Company.

Criminal litigation against our Company

As on the date of this Draft Letter of Offer, there are no outstanding civil litigations initiated against our Company.

Criminal litigations initiated by our Company.

As on the date of this Draft Letter of Offer, there are no outstanding criminal litigations initiated by our Company.

B. Other outstanding Material litigation involving our Company

Civil litigations against our Company

As on the date of this Draft Letter of Offer, there are no outstanding Civil Litigations against our Company.

Civil litigations initiated by our Company

As on the date of this Draft Letter of Offer, there are no outstanding Civil Litigations initiated by our Company except as stated below:

Our Company (the "***Plaintiff***") has filed as suit against M/s. ABS Mediequip and M/s. Siddhi Engineering Co. (collectively, the "***Defendants***") before Hon'ble Bombay High Court for passing off and infringement of design no. 328444-001 (the "***Design***") registered in the name of Plaintiff for its product, 'Head and Foot Bow for Hospital Bed with Cardiopulmonary Resuscitation Board' (the "***Product***"). The Defendants No. 1 was manufacturing and marketing a product, Head and Foot Bow for Hospital Bed with Cardiopulmonary Resuscitation Board and same was identical or deceptively similar to Design registered for Product in the name of Plaintiff in terms of shape, surface pattern, colour combination and configuration without permission of our Company. Therefore, our Company has filed the suit inter alia praying that the Hon'ble Bombay High Court (i) to grant order for perpetual injunction to restrain the Defendants by themselves and/or through its agents, servants, representatives and/or any person(s) claiming under or through the Defendants from infringing the Design by adopting and/or incorporating shape and configuration of Cardiopulmonary Resuscitation Board identical with and/or similar to Design of our Company; (ii) to appoint a court receiver to take a stock of Product manufactured by the Defendants and seize and take a custody of Product, finished goods and semi-finished goods manufactured by the Defendants by passing off and infringement of Design; (iii) to appoint a court receiver to take a stock of Product manufactured by the Defendants and seize, and destruct the Product, finished goods and semi-finished goods manufactured by the Defendants by passing off and infringement of Design; (iv) to render and pay to Plaintiff true and correct amount of profit made by Defendants by adopting or using the Design; and (v) to pass ad-interim and interim orders for restraining Defendants from passing off and infringement of Design. Presently, the suit is pending before Hon'ble Bombay High Court.

C. Outstanding actions by Statutory or Regulatory Authorities against our Company

As on the date of this Draft Letter of Offer, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Company.

D. Outstanding tax proceedings involving our Company

(₹ in lakhs)

Particulars	No. of Cases	Amount Involved
Direct Tax	Nil	Nil
Indirect Tax	2	25.81
Total	**2**	**25.81**

II. LITIGATIONS INVOLVING OUR SUBSIDIARY

A. Outstanding Criminal Litigations involving our Subsidiary

Criminal litigation against our Subsidiary.

As on the date of this Draft Letter of Offer, there are no outstanding criminal litigations initiated against our Subsidiary.

Criminal litigation initiated by our Subsidiary.

As on the date of this Draft Letter of Offer, there are no outstanding criminal litigations initiated by our Subsidiary.

B. Outstanding Material Litigations involving our Subsidiary

Civil litigations against our Subsidiary

As on the date of this Draft Letter of Offer, there are no outstanding civil litigations initiated against our Subsidiary

Civil litigations initiated by our Subsidiary

As on the date of this Draft Letter of Offer, there are no outstanding civil litigations initiated by our Subsidiary.

C. Outstanding actions by Statutory or Regulatory Authorities against our Subsidiary

As on the date of this Draft Letter of Offer, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Subsidiary.

D. Outstanding Tax proceedings involving our Subsidiary

(₹ in lakhs)

Particulars	No. of Cases	Amount Involved
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

III. LITIGATIONS INVOLVING OUR PROMOTERS

A. Outstanding criminal litigations involving our Promoters

Criminal litigations against our Promoters

As on the date of this Draft Letter of Offer, there are no outstanding criminal litigations initiated against our Promoters.

Criminal litigations initiated by our Promoters

As on the date of this Draft Letter of Offer, there are no outstanding criminal litigations initiated by our Promoters.

B. Other outstanding litigations involving our Promoter

Civil litigations against our Promoters

As on the date of this Draft Letter of Offer, there are no outstanding civil litigations against our Promoters.

Civil litigations initiated by our Promotors

As on the date of this Draft Letter of Offer, there are no outstanding civil litigations initiated by our Promoters.

C. Outstanding actions by Statutory or Regulatory authorities against our Promoters

As on the date of this Draft Letter of Offer, there are no outstanding action initiated by Statutory or Regulatory authorities against our Promoters.

D. Outstanding tax proceedings against our Promoters

(₹ in lakhs)

Particulars	No. of Cases	Amount Involved
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

IV. LITIGATIONS INVOLVING OUR DIRECTORS

A. Criminal litigations involving our Directors

Criminal litigations against our Directors

As on the date of this Draft Letter of Offer there are no outstanding criminal litigations against our Directors.

Criminal litigations initiated by our Directors

As on the date of this Draft Letter of Offer there are no outstanding criminal litigations initiated by our Directors.

B. Other outstanding litigations involving our Directors

Civil litigations against our Directors

As on the date of this Draft Letter of Offer, there are no outstanding civil litigations against our Directors.

Civil litigations initiated by our Directors

As on the date of this Draft Letter of Offer, there are no outstanding civil litigations initiated by our Directors.

C. Outstanding actions by Statutory or Regulatory Authorities against any of our Directors

As on the date of this Draft Letter of Offer there are no outstanding actions initiated by the Statutory or Regulatory Authorities against our Directors.

D. Outstanding tax proceedings involving our Directors

(₹ in lakhs)

Particulars	No. of Cases	Amount Involved
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

Outstanding dues to creditors

The Rights Issue Committee of our Board, in its meeting held on November 06, 2023 has considered and adopted the Materiality Policy. In terms of the Materiality Policy, creditors of our Company, to whom an amount exceeding 5% of our total outstanding dues (trade payables) as on 31st March ,2023 the date of the latest Restated Financial Statements was outstanding, were considered 'material' creditors.

As per the latest Restated Financial Statements, our total trade payables as on March 31, 2023 was ₹2,356.11 lakhs and accordingly, creditors to whom outstanding dues exceed ₹ 117.81 lakhs have been considered as 'material creditors' for the purposes of disclosure in this Draft Letter of Offer.

Based on this criteria, details of outstanding dues owed as on March 31, 2023 by our Company on consolidated basis are set out below:

(₹ in lakhs)

Types of Creditors	Number of Creditors	Amount involved
Micro, small and medium enterprises	50	144.97
Material Creditors	1	1711.24
Other Creditors	287	499.90
Total	**338**	**2356.11**

Material Developments

Except as stated in "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" on page 180, no circumstances have arisen since March 31, 2023, the date of the last Restated Financial Statements disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect or are likely to affect the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. It must, however, be distinctly understood that in granting the approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Following statements set out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.

Our Company is required to comply with the provisions of various laws and regulations and obtain approvals, registrations, permits and licenses under them for conducting our operations. The requirement for approvals may vary based on factors such as the activity being carried out and the legal requirements in the jurisdiction in which we are operating. Further, our obligation to obtain and renew such approvals arises periodically and applications for such approvals are made at the appropriate stage.

Our Company have obtained all material consents, licenses, permissions and approvals from governmental and regulatory authorities that are required for carrying on our present business activities. In the event, some of the approvals and licenses that are required for our business operations expire in the ordinary course of business, we will apply for their renewal, from time to time.

As on the date of this Draft Letter of Offer, there are no pending material approvals required for our Company to conduct our existing business and operations. Further, as on the date of this Draft Letter of Offer, there are no pending approvals required for our Company in relation to our new lines of business activities.

Since our Company intends to utilize the proceeds of the Issue, after deducting Issue related expenses towards Working capital requirements and for general corporate purposes, no government and regulatory approval pertaining to the Objects of the Issue will be required.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorized by our Board pursuant to resolution dated October 30, 2023, pursuant Section 62(1)(a) and other applicable provisions of Companies Act, 2013.

The Rights Issue Committee of the Board of Directors has, at its meeting held on [•], determined the Issue Price as ₹ [•]/- per Rights Equity Share, and the Rights Entitlement as [•] Rights Equity Shares for every [•] Equity Shares held on the Record Date.

The Company has been allotted ISIN – [•] for the Rights Entitlement to be credited to the respective demat account of Equity Shareholders of the Company.

Our Company has received in-principle approvals from BSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●].

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, members of the promoter group and our Directors have not been prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/ court.

Our Directors and Promoters are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

None of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against the Directors of our Company in the past five years preceding the date of this Draft Letter of Offer.

Our Company, Promoters or Directors have neither been declared as wilful defaulters nor declared as Fraudulent Borrower by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

Our Promoters and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Directors, our Promoters and members of Promoter Group confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Letter of Offer.

Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the Stock Exchanges i.e., BSE. Our Company is eligible to undertake the Rights Issue in terms of Chapter III of the SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with the provisions specified in Part B of Schedule VI of the SEBI ICDR Regulations as stated below:

1. Our Company has been filing periodic reports, statements and information with the BSE in compliance with the Listing Agreement and/ or the provisions of the Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Draft Letter of Offer with the Designated Stock Exchange.

2. The reports, statements and information referred to in point (1) above are available on the website of BSE.

3. Our Company has an investor grievance handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of powers by our Board of Directors as

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

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

DISCLAIMER CLAUSE OF SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of the issue is not more than ₹5000 lakhs i.e, upto ₹4500 lakhs. However, the same shall be submitted to SEBI as a matter of record.

Disclaimer in respect of jurisdiction

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

The Issue is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended), including Indian nationals resident in India, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), systemically important non-banking financial companies or trusts registered under applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, permitted provident funds and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and permitted Non Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

Selling Restrictions

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of the Draft Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by the legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer may come are required to inform them about and observe such restrictions. We are making this Issue of Equity Shares on a rights basis to our Eligible Equity Shareholders and will dispatch the Draft Letter of Offer/ and Application Form to the Eligible Equity Shareholders who have provided an Indian address.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer, or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

Receipt of the Draft Letter of Offer, Letter of Offer, or Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, the Draft Letter of Offer, Letter of Offer, or Application Form must be treated as sent for information only and should not be copied or redistributed. Accordingly, persons receiving a copy of the Draft Letter of Offer, Letter of Offer, or

Application Form should not, in connection with the issue of the rights or Rights Equity Shares, distribute or send the same in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. If the Draft Letter of Offer, Letter of Offer, or Application Form is received by any person in any such territory, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the rights referred to in the Draft Letter of Offer, Letter of Offer, or Application Form.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

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

NO OFFER IN THE UNITED STATES

The Rights Entitlements and Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933 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. The rights entitlements and equity shares referred to in the Draft Letter of Offer are being offered in India, but not in the United States. The offering to which the Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any equity shares or rights entitlements for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, the Draft Letter of Offer should not be forwarded to or transmitted in or into the United States at any time.

Disclaimer clause of BSE

As required, a copy of this Draft Letter of Offer shall be submitted to BSE. The disclaimer clause as intimated by BSE to us, post scrutiny of this Draft Letter of Offer shall be included in the Letter of Offer prior to filing with the Stock Exchange.

Filing

The Draft Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is not more than ₹5,000 lakhs i.e, up to ₹ 4,500 Lakhs which does not require issuer to file Draft Letter of Offer with SEBI. The Company has filed Draft Letter of Offer with the BSE for obtaining in-principle approval.

Listing

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

Consents

Consents in writing of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, the Bankers/ Lenders to our Company, Statutory Auditors and the Registrar to the Issue have been obtained and such consents shall not be withdrawn up to the date of this Draft Letter of Offer.

Mechanism for redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a minimum period of eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, 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. For all Issue related queries and for redressal of complaints, Investors may also write to the Registrar to the Issue, in the manner provided below.

Disposal of investor grievances by our Company

Our Company has obtained authentication on the SCORES and is in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013, the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 and the SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances including, redressing of security holder's and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates, general meetings, services rendered by the Registrar to the Issue, For further details, please see "*Our Management – Corporate Governance*" on page 105.

Our Company has appointed Ankita Bhanushali, our Company Secretary, as our Compliance Officer. For details, please see the section entitled "*General Information*" on page 48.

As on the date of filing of this Draft Letter of Offer, our Company has not received any investor complaint during the last three financial years preceding the date of this Draft Letter of Offer. Further, there are no investor complaint pending as on the date of filing of this Draft Letter of Offer.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be ten (10) 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.

Disposal of investor grievances by listed Group Companies and Subsidiary

As on the date of this Draft Letter of Offer, our Subsidiary is not listed on any stock exchange. Further, our Company does not have any Group Company.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

As on the date of this Draft Letter of Offer, our Company has not been granted by SEBI any exemption from complying with any provisions of securities laws.

SECTION VII - ISSUE INFORMATION

TERMS OF THE ISSUE

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

Investors are requested to note that application in the Issue can only be made through ASBA or any other mode which may be notified by SEBI.

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents /records confirming the legal and beneficial ownership of the Securities with regard to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to the Rights Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder

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

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations and SEBI Master Circular, , the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided their Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Further, this Draft Letter of Offer and the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard.

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

(i) our Company at www.mitsuchem.com

(ii) the Registrar at https://bigshareonline.com and

(iii) the Stock Exchanges at www.bse.com

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., https://bigshareonline.com) by entering their DP ID and Client ID and PAN. The link for the same shall also be available on the website of our Company (i.e., www.mitsuchem.com).

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible. Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Draft Letter of Offer, the Letter of Offer, , the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

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

Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

Our Company is undertaking the Issue on a rights basis to the Eligible Equity Shareholders and will send this Draft Letter of Offer, the Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid email addresses and an Indian address to our Company.

This Draft Letter of Offer is being provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Master Circular and the ASBA Circulars, all Investors desiring to make an Application in the Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in the Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see "- *Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders"* on page 209 of this Draft Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in the Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, see "- *Grounds for Technical Rejection"* on page No 205. of this Draft Letter of Offer.

Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in the Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in the Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see "- *Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process"* on page No. 203 of this Draft Letter of Offer.

- ***Options available to the Eligible Equity Shareholders***

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to. Details of each of the Eligible Equity Shareholders' Rights Entitlement will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at https://bigshareonline.com and link of the same would also be available on the website of our Company at www.mitsum.com. Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

If the Eligible Equity Shareholder applies in the Issue, then such Eligible Equity Shareholder can:

1. apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or

2. apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or

3. apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or

4. apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or

5. renounce its Rights Entitlements in full.

- ***Making of an Application through the ASBA process***

An Investor, wishing to participate in the Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in the Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34. Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in the Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, our directors, employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Do's:

(a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.

(b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.

(c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.

(d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.

(e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.

(f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.

(g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.

(h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

(i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification.

Don'ts:

(a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.

(b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.

(c) Do not send your physical Application to the Registrar, the Banker to the Issue, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.

(d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.

(e) Do not submit Application Form using third party ASBA account.

(f) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.

(g) Do not submit multiple Applications.

- ***Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to the Issue on plain paper in case of non-receipt of Application Form as detailed above and only such plain paper applications which provide all the details required in terms of Regulation 78 of SEBI ICDR Regulations shall be accepted by SCSBs. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an application to subscribe to the Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, the Stock Exchanges.

An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently. The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Mitsu Chem Plast Limited;

2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);

3. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity

Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;

4. Number of Equity Shares held as on Record Date;

5. Allotment option - only dematerialised form;

6. Number of Equity Shares entitled to;

7. Number of Equity Shares applied for within the Rights Entitlements;

8. Number of Additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);

9. Total number of Equity Shares applied for;

10. Total amount paid at the rate of ₹ [•] per Equity Share;

11. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;

12. In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;

13. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;

14. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and

15. All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in *"Restrictions on Foreign Ownership of Indian Securities"* shall include the following:

"I/We hereby make representations, warranties and agreements set forth in "Restrictions on Foreign Ownership of Indian Securities " of the Draft Letter of Offer.

I/We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the representations, warranties and agreements set forth therein."

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at https://bigshareonline.com

Our Company and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

- ***Application for Additional Rights Equity Shares***

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in *"-Basis of Allotment"* on page 218.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Additional general instructions for Investors in relation to making of an application

(a) Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process.

(b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.

(c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under *"Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process"* on page No 203.

(d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by BSE.

(e) Applications should not be submitted to the Banker to the Issue, our Company or the Registrar.

(f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to the Issue shall be made into the accounts of such Investors.

(g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation **("Demographic Details")** are updated, true and correct, in all respects. Investors applying under the Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under the Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.

(h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

(i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.

(j) Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.

(k) In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.

(I) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in the Issue quoting the name of the first/sole Applicant,DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.

(m) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.

(n) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.

(o) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for the Issue as an incorporated non-resident must do so in accordance with the FDI Policy and FEMA Rules.

(p) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification.

- ***<u>Grounds for Technical Rejection</u>***

Applications made in the Issue are liable to be rejected on the following grounds:

(a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.

(b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.

(c) Sending an Application to our Company, Registrar, Banker to the Issue, to a branch of a SCSB which is not a Designated Branch of the SCSB.

(d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.

(e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.

(f) Account holder not signing the Application or declaration mentioned therein.

(g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.

(h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.

(i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).

(j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.

(k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.

(l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer.

(m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.

(n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.

(o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.

(p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and "qualified purchasers" (as defined under the U.S. Investment Company Act of 1940, as amended and referred to in this Draft Letter of Offer as "QPs") or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-US. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.

(q) Applications which have evidence of being executed or made in contravention of applicable securities laws.

(r) Application from Investors that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

(s) Applicants not having the requisite approvals to make application in the Issue.

(t) **IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER, FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**

(u) Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

(v) These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the

Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

(w) The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

(x) In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID & Client ID, and (c) the beneficiary account number, then such Application Forms s are liable to be rejected.

- ***Multiple Applications***

In case where multiple Applications are made using same demat account in respect of the same Rights Entitlement, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further, additional applications in relation to additional Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see "- *Procedure for Applications by Mutual Funds"* on page No.208

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by our Promoter to meet the minimum subscription requirements applicable to the Issue as described in *"General Information - Minimum Subscription"* on page No.223.

- ***Procedure for Applications by certain categories of Investors***

Procedure for Applications by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the multiple entities having common ownership, directly or indirectly, of more than 50% or common control) must be below 10% of our post- Issue Equity Share capital. Further, in terms of FEMA Rules, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company on a fully-diluted basis and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company on a fully diluted basis.

Further, pursuant to the FEMA Rules the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event

(i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre - approved by the FPL

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in the Issue. Further, venture capital funds registered as Category I AJFs, as defined in the SEBT AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in the Issue. Other categories of AIFs are permitted to apply in the Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in the Issue under applicable securities laws. As per the FEMA Rules, an NRI or Overseas Citizen of India **("OCI")** may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCT will not exceed 5% of the total paid- up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed I 0% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of I 0% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country **("Restricted Investors"),** will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall 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% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Procedure for applications by Systemically Important NBFCs

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate of registration issued by the RBI under Section 45 -IA of the RBI Act, 1934 and (ii) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

- ***Last date for Application***

The last date for submission of the duly filled in the Application Form or a plain paper Application is [•], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in "- *Basis of Allotment"* on page No.218.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as permitted by BSE. Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

- ***Withdrawal of Application***

An Investor who has applied in the Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, applying through ASBA facility, may withdraw their Application post 5.00 p.m. (Indian Standard Time) on the Issue Closing Date.

- ***Disposal of Application and Application Money***

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded/ unblocked in the respective bank accounts from which Application Money was received/ ASBA Accounts of the Investor finalisation of basis of allotment in consultation with Designated Stock exchange. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

- ***Rights Entitlements***

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., https://bigshareonline.com) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.mitsuchem.com).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for creditingof the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [•]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under Issue for subscribing to the Rights Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. https://bigshareonline.com). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

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

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by [•], [•] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in the Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard.

Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

- *Renouncees*

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to the Issue shall apply to the Renouncee(s) as well.

- *Renunciation of Rights Entitlements*

The Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off market transfer.

- *Procedure for Renunciation of Rights Entitlements*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the **"On Market Renunciation");** or (b) through an off market transfer (the **"Off Market Renunciation"),** during the Renunciation Period. The Investors should have the demat Rights Entitlements credited *I* lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

In accordance with the SEBI Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to Issue Closing Date, such that credit of REs in their demat account takes place at least one day before Issue Closing Date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

- *Payment Schedule of Rights Equity Shares*

₹ [•] per Rights Equity Share (including premium of ₹ [•] per Rights Equity Share) shall be payable as follows:

	Face Value (₹ Per Rights Equity Share)	Premium (₹ Per Rights Equity Share)	Total (₹ Per Rights Equity Share)
On Application	[•]	[•]	[•]
On Call(s) as to be made by our Company*	[•]	[•]	[•]

**Our company shall have the right to call up the remaining paid up capital in one or more calls, as determined by our Board at its sole discretion , from time to time.*

Right Equity Shares in respect of which the calls payable remains unpaid may be forfeited, at any time after the due date of payment of balance amount due in accordance with Companies Act, 2013 and our Articles of Association.

Record date for Calls and suspension of trading

Our Company would fix a Call Record Date giving notice, in advance of such period as may be prescribed under applicable law, to the Stock Exchanges for the purpose of determining the list of Rights Equity Shareholders to whom the notice for the Calls would be sent. Once the Call Record Date has been fixed, trading in the Rights Equity Shares for which the calls have been made may be suspended prior to the Call Record Date.

Procedure for Calls for Rights Equity Shares

Our Company would convene a meeting of our Board to pass the required resolutions for making the Calls and suitable intimation would be given by our Company to the Stock Exchanges. Further, advertisements for the same will be published in (i) one English national daily newspaper; (ii) one Hindi language national daily newspaper; and (iii) one Marathi language daily newspaper (Marathi being the regional language of Mumbai, where our Registered and Corporate Office is situated), all with wide circulation. The Calls shall be deemed to have been made at the time when the resolution authorising such Calls are passed at the meeting of our Board. The Calls may be revoked or postponed at the discretion of our Board. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 14 days' notice for the payment of the Calls. Our Board may, from time to time at its discretion, extend the time fixed for the payments of the Calls. Our Company, at its sole discretion and as it may deem fit, may send one or more reminders for the Calls, and if it does not receive the Call Money as per the timelines stipulated unless extended by our Board, the defaulting Rights Equity Shareholders will be liable to pay interest as may be fixed by our Board unless waived or our Company may forfeit the Application Money and any Call Money received for previous Calls made.

Application.

Our Company accepts no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

(a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company. In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN: [•] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from[•],[•] to[•],[•] (both days inclusive). The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [•] and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of the Stock Exchanges under automatic order matching mechanism and on T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

(b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only. Eligible Equity Shareholders are requested to ensure that renunciation through off market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [•],the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off market transfer shall be as specified by the NSDL and CDSL from time to time.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

The Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company in accordance with sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in the Issue.

Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Investors

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THE ISSUE AND TERMS OF THE ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see *"The Issue"* beginning on page No. 46

- <u>*Fractional Entitlements*</u>

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [•] Rights Equity Shares for every [•] Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [•] Rights Equity Shares or not in the multiple of [•], the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their rights entitlement, if any.

For example, if an Eligible Equity Shareholder holds [•] Equity Shares, such Equity Shareholder will be entitled to [•] Equity Share and will also be given a preferential consideration for the Allotment of one Additional Rights Equity Share if such Eligible Equity Shareholder has applied for Additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Equity Shares in the Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than [•] Equity Shares shall have 'zero' entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

- *Ranking*

The Rights Equity Shares to be issued and Allotted pursuant to the Issue shall be subject to the provisions of this Draft Letter of Offer, the Letter of Offer, , the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under the Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

- *Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue*

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on BSE. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to the Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through its letters bearing reference number [•] dated [•] and [•] dated [•], respectively. Our Company will apply to the Stock Exchanges for final approval for the listing and trading of the Rights Equity Shares subsequent to its Allotment.

No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof. The existing Equity Shares are listed and traded on BSE (Scrip Code: 540078) under the ISIN: INE317V01016. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges.

Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to the Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from BSE, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within the period as prescribed by applicable law or otherwise after receipt of intimation from BSE, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within such time after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of such period as may be prescribed, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

- *Rights of Holders of Equity Shares of our Company*

Subject to applicable laws, Shareholders who have been Allotted Equity Shares pursuant to the Issue shall have the following rights:

- The right to receive dividend, if declared;

- The right to receive surplus on liquidation;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to free transferability of Equity Shares;
- The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited/ restricted by law and as disclosed in the Letter of Offer; and

Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

- *Market Lot*

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one Equity Share.

- *Joint Holders*

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in the Issue.

- *Nomination*

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in the Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

- *Arrangements for Disposal of Odd Lots*

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

- *Restrictions on transfer and transmission of shares and on their consolidation/splitting*

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI LODR Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not effected unless the securities are held in the dematerialized form with a depository.

- *Notices*

In accordance with the SEBI ICDR Regulations and the SEBI Master Circular, and MCA General Circular No. 21/2020 dated May 11, 2020, our Company will send through email and speed post, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, , the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then, , the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one regional Marathi daily newspaper with wide circulation.

This Draft Letter of Offer, the Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

- *Offer to Non-Resident Eligible Equity Shareholders/Investors*

As per Rule 7 of the FEMA Rules, RBI has given general permission to a person resident outside India and having investment in an Indian company to make investment in rights equity shares issued by such company subject to certain conditions. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, subject to the conditions set out therein (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRis and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice.

If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at their mail ID It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access this Draft Letter of Offer, the Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchanges.

Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis. In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened.

Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE "- ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS" ON PAGE NO. 219.

VIII. ISSUE SCHEDULE

Issue Opening Date	[•]
Last date for Application Form and Market Renunciation*	[•]

Issue Closing Date	[•]
Finalising the basis of allotment	[•]
Date of Allotment (on or about)	[•]
Date of credit (on or about)	[•]
Date of listing (on or about)	[•]

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the*

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

Our Board may, however, decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company and/or the Registrar to the Issue will not be liable for any loss on account of non-submission a/Application Forms or on before the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., [•], [•] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [•], [•].

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

(a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part, as adjusted for fraction entitlement.

(b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.

(c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of the Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.

(d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.

(e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in the Issue, along with:

- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful Application;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations, if applicable or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at such rate as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

- *Mode of making refunds*

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

(a) Unblocking amounts blocked using ASBA facility.

(b) NACH - National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition **("MICR")** code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centers where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

(c) National Electronic Fund Transfer **("NEFT")** - Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code **("IFSC Code"),** which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their ninedigit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

(d) Direct Credit - Investors having bank accounts with the Banker to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.

(e) RTGS - If the refund amount exceeds Rs. 2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

(f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.

(g) Credit of refunds to Investors **in** any other electronic manner, permissible by SEBI from time to time.

- *Refund payment to non-residents*

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

- *Receipt of the Rights Equity Shares in Dematerialized Form*

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates: tripartite agreements amongst our Company, NSDL and CDSL, and the Registrar to the Issue, each dated October 12, 2007.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of lnvestors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.

3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.

4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.

5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with Investor Education and Protection Fund (IEPF) authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.

6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, through physical dispatch.

7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

(i) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(ii) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(iii) otherwise induces directly or indirectly a company to allot, or register any transfer oJ; securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 10 lacs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to ten 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. Where such fraud (i) involves an amount which is less than ₹ 10 lacs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 lacs or with both.

Utilization of Issue Proceeds

Our Board of Directors declares that:

(a) All monies received out of the Issue shall be transferred to a separate bank account;

(b) Details of all monies utilized out of the Issue shall be disclosed, and shall continue to be disclosed until the time any part of the Issue Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;

(c) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and

(d) Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

Undertakings by our Company

Our Company undertakes the following:

(i) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.

(ii) All steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.

(iii) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.

(iv) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.

(v) No further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc.

(vi) In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.

(vii) Adequate arrangements shall be made to collect all ASBA Applications and to consider them similar to non-ASBA Applications while finalizing the Basis of Allotment.

(viii) At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.

(ix) Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.

(x) Our Company accepts full responsibility for the accuracy of information given in this Draft Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

Minimum Subscription

The objects of the Issue involve financing other than financing of capital expenditure for a project. Further, our Promoters and Promoter Group have undertaken that they will subscribe fully to the extent of their rights entitlement. Accordingly, minimum subscription criteria is not applicable to the Issue.

Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for Rights Issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, this Draft Letter of Offer has been filed with BSE Limited and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination purposes and shall be filed with the Stock Exchanges.

Withdrawal of the Issue

Subject to provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, our Company reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchanges will also be informed promptly.

The Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one **(1)** working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchanges.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the Stock Exchanges where the Equity Shares may be proposed to be listed.

Important

Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in "Risk Factors" on page No. 24.

All enquiries in connection with this Draft Letter of Offer or Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed "Mitsu Chem Plast Limited– Rights Issue" on the envelope to the Registrar at the following address:

Bigshare Services Private Limited
Office No. S6-2, 6th Floor,
Pinnacle Business Park,
Next to Ahura Centre
Mahakali Caves Road,
Andheri (East), Mumbai – 400 093.
Maharashtra, India
Telephone: +91 22 6263 8200

Email: rightsissue@bigshareonline.com
Investor grievance email: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Suraj Gupta
SEBI Registration No.: INR000001385

The Issue will remain open for a minimum period of 7 (seven) days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

The Investors can visit following links for the below-mentioned purposes:

a) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: Registrar website: www.bigshareonline.com

b) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: Registrar website: www.bigshareonline.com

The above information is given for the benefit of the Applicants/ Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

SECTION VIII: STATUTORY AND OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available for inspection at the registered office of our Company between 11.00 a.m. to 5.00 p.m. on any working day from the date of this Draft Letter of Offer until the Issue Closing Date.

A. Material contracts for inspection

4. Registrar Agreement dated [●] between our Company and Registrar to the Issue;

5. Bankers to the Issue Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue.

B. Material documents for inspection

(a) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time;

(b) Certificate of incorporation dated September 23, 1988, issued by the ROC;

(c) Fresh certificate of incorporation dated May 25, 2016, issued by ROC consequent to change of name of our Company;

(d) Fresh certificate of incorporation dated June 8, 2016, issued by ROC at the time of conversion from a private company into a public company;

(e) Resolution of our Board of Directors dated October 30, 2023, in relation to the Issue and other related matters;

(f) Consents of the Directors, Company Secretary and Compliance Officer, Statutory Auditors, and Registrar to the Issue to include their names in this Draft Letter of Offer to act in their respective capacities.

(g) Annual report of our Company for the financial year ended March 31, 2023 and the limited review report of the Unaudited Financial Results for the six months ended September 30, 2023.

(h) Tripartite Agreement dated July 20, 2016 between our Company, NSDL and the Registrar to the Issue.

(i) Tripartite Agreement dated July 18, 2016 between our Company, CDSL and the Registrar to the Issue.

(j) In principle listing approval dated [•] and [•] issued by BSE

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with applicable law.

Declaration

We hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. We certify that all the legal requirements connected with the issue as also the guidelines, instructions, etc., issued by SEBI, Government and any other competent authority in this behalf, have been duly complied with.

We further certify that all the disclosures made in this Draft Letter of Offer are true and correct.

Signed by all the Directors of our Company

Name and Designation	Signature
Mr. Jagdish L. Dedhia Chairman and Whole-Time Director DIN: 01639945	**Sd/-**
Mr. Manish M. Dedhia Joint Managing Director DIN: 01552883	**Sd/-**
Mr. Sanjay M. Dedhia Joint Managing Director DIN: 01552883	**Sd/-**
Ms. Neha S. Huddar Independent Director DIN: 00092245	**Sd/-**
Mr. Dilip K. Gosar Independent Director DIN: 07514842	**Sd/-**
Mr. Hasmukh B. Dedhia Independent Director DIN: 07510925	**Sd/-**

Signed by the Chief Financial Officer

Sd/-
Manish M. Dedhia
Chief Financial Officer

Signed by the Company Secretary

Sd/-
Ankita Bhanushali
Company Secretary & Compliance Officer

Place: Mumbai
Date: 06th November, 2023