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INDIAN EMULSIFIERS LIMITED

(Formerly known as Indian Emulsifiers Private Limited)

CIN: U46691MH2020PLC351364

(Please scan this QR Code to View the Addendum to DRHP)

Our Company was originally incorporated on December 05, 2020, as a Private Limited Company under the name and style of Indian Emulsifiers Private Limited under the provisions of Companies Act, 2013 with the Registrar of Companies, Mumbai, Maharashtra bearing Registration No.351364. Thereafter, our Company was converted from Private Limited to Public Limited and the name of our Company was changed from “Indian Emulsifiers Private Limited” to “Indian Emulsifiers Limited” vide fresh Certificate of Incorporation dated January 05, 2024 issued by the Registrar of Companies Mumbai, Maharashtra. The Corporate Identification Number of our Company is U46691MH2020PLC351364.

Registered Office: Shop 206, Floor-2, Sumer Kendra, Shivram Seth Amrutwar Road Near Doordarshan Kendra, Off Pandurang Budhwar Marg, Worli 400 018, Mumbai, Maharashtra, India.

Company Secretary and Compliance Officer: Ramraj Singh Thakur | Tel No: 022-4783 8021;

E-mail: info@indianemulsifiers.com | **Website:** www.indianemulsifier.com.

PROMOTER OF OUR COMPANY: YASH TIKEKAR.

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED FEBRUARY 10, 2024:

NOTICE TO THE INVESTORS (“THE ADDENDUM”).

INITIAL PUBLIC OFFER OF UPTO 35,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE “EQUITY SHARES”) OF INDIAN EMULSIFIERS LIMITED (“OUR COMPANY” OR “IEL” OR “THE ISSUER”) AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹[●] LAKHS (“PUBLIC ISSUE”) OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹[●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹[●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹[●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●] AND [●] % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Potential Bidders may note the following:

1. The Chapter titled “*Risk Factors*” beginning on page 25 of the Draft Red Herring Prospectus has been updated;
2. The Chapter titled “*Capital Structure*” beginning on page 66 of the Draft Red Herring Prospectus has been updated;
3. The Chapter titled “*Objects of The Issue*” beginning on page 78 of the Draft Red Herring Prospectus has been updated;
4. The Chapter titled “*Industry Overview*” beginning on page 101 of the Draft Red Herring Prospectus has been updated;
5. The Chapter titled “*Business Overview*” beginning on page 110 of the Draft Red Herring Prospectus has been updated;
6. The Chapter titled “*Our Management*” beginning on page 142 of the Draft Red Herring Prospectus has been updated;
7. The Chapter titled “*Our Group Companies*” beginning on page 161 of the Draft Red Herring Prospectus has been updated;
8. The Chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page 204 of the Draft Red Herring Prospectus has been updated;
9. The Chapter titled “*Outstanding Litigation and Material Development*” beginning on page 212 of the Draft Red Herring Prospectus has been updated;
10. The Chapter titled “*Government and Other Approvals*” beginning on page 218 of the Draft Red Herring Prospectus has been updated;
11. The Chapter titled “*Other Regulatory and Statutory Disclosures*” beginning on page 222 of the Draft Red Herring Prospectus has been updated;
12. Please note that all other details in, and updates to the Red Herring Prospectus/ Prospectus with respect to issue price and/or other relevant details will be carried out in the Red Herring Prospectus, as and when filed with ROC, SEBI and the Stock Exchange.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus/ Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

On behalf of Indian Emulsifiers Limited

Sd/-

Ramraj Singh Thakur

Company Secretary & Compliance Officer

Place: Mumbai.

Date: April 23, 2024.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



EKADRISHT CAPITAL PRIVATE LIMITED

1102, Summitt Business Bay, Chakala, Andheri Kurla Road, Andheri East Chakala MIDC, Mumbai, 400 093, Maharashtra, India.

Tel. No.: +91 89286 31037 | **Email Id:** krunal@ekadrisht.com;

Investor Grievance Email: grievances@ekadrisht.com;

Website: www.ekadrisht.com;

Contact Person: Krunal Pipalia

Designation: Vice President

SEBI Registration Number: INM000013040

CIN No: U66190MH2023PTC401863

MAASHITLA SECURITIES PRIVATE LIMITED

451, Krishna Apra Business Square, Netaji Subhash Place, Pitampura, Delhi 110 034, India.

Telephone: +011 4512 1795

Email: ipo@maashitla.com

Investor Grievance e-mail: investor.ipo@maashitla.com

Website: www.maashitla.com

Contact Person: Mukul Agarwal

SEBI Registration Number: INR000004370

CIN No: U67100DL2010PTC208725

BID ISSUE/ISSUE PROGRAMME

ANCHOR INVESTOR BID/ISSUE PERIOD: [●]*

BID/ISSUE OPENS ON: [●]*

BID/ISSUE CLOSES ON: [●]**

*Our Company may in consultation with the BRLM may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

**Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBS one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

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SECTION III - RISK FACTORS

INTERNAL RISK FACTORS

- 8. Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.**

Our business is working capital intensive. Summary of our working capital position as per our Restated Financial Information is given below: -

(₹ In Lakhs)

Sr. No.	Particulars	Restated Audited Financials			
		31.12.2023	31.03.2023	31.03.2022	31.03.2021
I	Current Assets				
	Inventories	1,931.41	875.13	120.18	-
	Trade receivables	1,618.74	804.98	291.55	-
	Cash and cash equivalents	9.99	2.75	2.70	3.58
	Other Financial Assets	20.77	72.88	-	-
	Other Current Assets	1,036.12	396.59	512.09	56.14
	Total (A)	4,617.02	2,152.32	926.52	59.72
II	Current Liabilities				
	Borrowings	897.94	867.73	298.86	58.91
	Trade Payable	1,084.42	90.72	0.53	0.05
	Other Financial Liabilities	19.20	16.20	-	-
	Other Current Liabilities	40.00	9.86	17.41	-
	Short-term provisions	141.99	71.13	0.00	0.00
	Total (B)	2,183.54	1,055.64	316.80	58.96
III	Total Working Capital Gap (A-B)	2,433.48	1,096.68	609.71	0.76
IV	Funding Pattern				
	Internal Accruals	2,433.48	1,096.68	609.71	0.76

We intend to continue growing by expanding our business operations. This may result in increase in the quantum of our current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations.

For further details regarding working capital requirement, please refer to the chapter titled “Objects of the Issue” beginning on page no. 78 of this Draft Red Herring Prospectus.

- 9. The Company is yet to place orders for 100% of the plant & machineries for our proposed object, as specified in the Objects of the Issue. Any delay in placing orders, procurement of plant & machineries may delay our implementation schedule and may also lead to increase in price of these plant & machineries, further affecting our revenue and profitability.**

Although we have identified the type of plant and machineries required to be bought however, we are yet to place orders for 100% of the Plant & Machinery, Civil work and installation cost thereon worth ₹2,091.54 Lakhs as detailed in the “Objects of the Issue” beginning on page 78 of this Draft Red Herring Prospectus. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management views of the desirability of current plans, change in supplier of plant & machineries, equipments among others, which may have an adverse effect on our business and results of operations. Further, we cannot assure that we would be able to procure these plant and machineries, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun, which would have a material adverse effect on our business, results of operations and financial condition.

For further details, please refer to the chapter titled “Objects of the Issue” beginning on page no. 78 of this Draft Red Herring Prospectus.

- 12. There are certain discrepancies in our corporate compliances and we may be subjected to penalty in such event.**

We had made an allotment of preference shares on October 01, 2021, subscription money in respect of which was received in our regular bank account instead of a separate bank account as per the requirements of the provisions of the Companies Act, 2013 and rules made thereunder. Although due allotment has been made in respect of aforementioned subscription amount as per the provisions of the Act and that no show cause notice have been issued in this respect. Our Company has initiated the process of Compounding as per Section 441 under the Companies Act, 2023 and the company may be subjected to penalty in such event.

13. Company has delayed in filing of annual audited financial statements and the payment towards its Employees Provident Fund (EPF) dues.

There has been an inadvertent delay in filing of Annual Return forms i.e., MGT-7 and AOC-4, and in filing EPF returns by our Company. Firstly, concerning the delay in filing our annual audited financial statements with the Ministry of Corporate Affairs (MCA), company compliance consultant, who plays a pivotal role in ensuring timely submission, was unfortunately incapacitated due to a severe bout of COVID-19. This unforeseen circumstance significantly impeded the preparation process of our financial statements, resulting in the delay in filing. Similarly, the delay in filing our Annual General Meeting (AGM) was also impacted by the aforementioned situation. The preparation of necessary documents and coordination for the AGM was hindered due to the absence of our compliance consultant during their recovery period, exacerbating the delay further.

Regarding the consistent delays in payments towards our Employees' Provident Fund (EPF) dues, we must acknowledge an oversight in understanding the applicability of certain regulations. Subsequently, there was a delay in rectifying this oversight, compounded by further delays in reactivating our Know Your Customer (KYC) documents, which are essential for EPF payments.

We understand the gravity of these delays and assure you that company is taking immediate steps to rectify the situation. We are actively working on expediting the preparation of our financial statements and ensuring compliance with all regulatory requirements which is overlooked by our Company Secretary and Compliance Officer. Additionally, measures are being implemented to streamline our EPF dues payment process and ensure adherence to deadlines going forward which is also overlooked by our Company Secretary and Compliance Office.

30. Our Company has in the past entered into related party transactions and may continue to do so in the future and we cannot assure you that we could not have achieved more favourable terms if such transactions had not been entered into with related parties and will not have an adverse effect on our financial conditions and result of operations.

Our Company has entered into various transactions with related parties. While our Company believes that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, there can be no assurance that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Related party transactions that entered by the Company for Period ended December 31, 2023 and last three fiscals and are legitimate business transactions conducted on an arms' length basis, in compliance with the requirements stipulated in Companies Act, 2013, and relevant Accounting Standards and other statutory compliances. The Company further confirm that they will comply with the applicable compliances pertaining to the Companies Act 2013, and relevant Accounting Standards and other statutory compliances.

It is likely that our Company may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. We cannot assure you that such transaction, individually or in the aggregate, will always be in the best interests of our Company and/or that it will not have an adverse effect on our business and results of operations.

Please refer to the "Annexure - Y" - "Related Party Transaction" beginning on page no. 198 of Restated Financial Statements under the Chapter titled "Restated Financial Statements" beginning on page no. 165 this Draft Red Herring Prospectus.

45. Any IT system failures or lapses on part of any of our employees may lead to operational interruption, liabilities or reputational harm.

The success of our businesses depends in part upon our ability to effectively deploy, implement and use information technology systems and advanced technology initiatives in a cost effective and timely basis. Our information technology systems include multiple applications, coding, configuration and other systems that allocate resources and facilitate internal and external communications, enabling us to coordinate and make quick decisions across our business. Our computer networks may be vulnerable to un-authorized access, computer hacking, computer viruses, worms, malicious applications and other security problems caused by un-authorized access to, or improper use of, systems by our employees, subcontractors or third-party vendors. Any systems failure or security breach or lapse on our part or on the part of our employees and other ecosystem participants that results in the release of user data could harm our reputation and brand

and, consequently, our business, in addition to exposing us to potential legal liability. Any such legal proceedings or actions may subject us to significant penalties and negative publicity, require us to change our business practices, increase our costs and severely disrupt our business.

Till the date of this Draft Red Herring Prospectus there have been no such instances or event that have occurred in the Company relating to the any IT system failures or lapses on part of any of our employees may lead to operational interruption, liabilities or reputational harm.

46. If our security measures are compromised, our products and services would be perceived as vulnerable, our brand and reputation would be damaged and customers could stop using our products and services, all of which would materially adversely affect us.

Our products and services store, retrieve and manage our customers' information and data, external data, as well as our own data. Third parties may identify and exploit product and its service vulnerabilities, penetrate or bypass our security measures, and gain un-authorized access to our or our customers, networks and systems, any of which could lead to the compromise of personal information or the confidential information or our data or that of our customers. High-profile security breaches at companies have increased in recent years, and security industry experts and government officials have warned about the risks of hackers and cyber-attacks targeting IT products and businesses. These risks will increase as we continue to grow, store and process increasingly large amounts of data, including personal information and our customers' confidential information and data and other external data. Further, as privacy and data protection become more sensitive issues in India, we may also become exposed to potential liabilities. For instance, under the Information Technology Act, 2000 ("**IT Act**"), we are subject to civil liability for wrongful loss or gain arising from any negligence by us in implementing and maintaining reasonable security practices and procedures with respect to sensitive personal data or information on our computer systems, networks, databases and software. India has also implemented privacy laws, including the IT Security Rules, which impose limitations and restrictions on the collection, use and disclosure of personal information. We could suffer significant damage to our brand and reputation if a cyber-attack or other security incident were to allow un-authorized access to or modification of our customers' data, other external data, or our own data or our IT systems or if the services we provide to our customers were disrupted, or if our products or services are perceived as having security vulnerabilities. Customers could lose confidence in the security and reliability of our products and services, and this could lead to fewer customers using our products and services and result in reduced revenue and earnings. The costs we may incur to address and fix these security incidents would increase our expenses. These types of security incidents could also lead to breach of contracts with customers, lawsuits, regulatory investigations and claims and increased legal liability, including contractual costs related to customer notification and fraud monitoring, all of which could materially adversely affect us.

Till the date of this Draft Red Herring Prospectus there have been no such instances or event that have occurred in the Company relating to any cyber-attack or other security breach that would compromise our Company's data.

NOTE-

ALL OTHER CONTENTS/INFORMATION MENTIONED IN THIS CHAPTER SHALL REMAIN UNCHANGED. THE ADDENDUM TO DRHP SHOULD BE READ IN CONTINUATION WITH DRHP DATED FEBRUARY 10, 2024.

SECTION IV - INTRODUCTION

CAPITAL STRUCTURE

17. Promoters' Contribution and Lock-in details.

Details of Promoters' Contribution and Lock-in for Three Years.

Pursuant to the Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of at least 20% of the post Issue Equity Share capital of our Company held by our Promoter shall be locked-in for a period of three years from the date of Allotment in this Issue. As on date of this Draft Red Herring Prospectus, our Promoter holds 58,80,050 Equity Shares constituting 65.25% of the pre-issue paid up equity share capital of our Company.

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post issue capital held by our Promoter, shall be considered as Promoter's Contribution and shall be locked-in for a period of three years from the date of allotment of Equity shares issued pursuant to this Issue. The lock-in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on the date of this Draft Red Herring Prospectus, our Promoter holds 58,80,050 Equity Shares constituting [●]% of the Post – Issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoter has given written consent to include [●] Equity Shares held by them and subscribed to by them as part of Promoter's Contribution constituting 20.00% of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner the Promoter's contribution, for a period of three years from the date of allotment in the Issue

Pursuant to Regulation 236(2) and 237 of SEBI (ICDR) Regulations, 2018, details of the Equity Shares forming part of Promoter's Contribution and their lock-in details are as follows:

Name of Promoter	Date of Allotment/Acquisition & when made fully paid up.	No of Equity shares	No of Equity shares locked in	Face Value (in ₹)	Issue Price (in ₹)	Nature of Allotment	% Of Post-Issue Paid-up Capital	Lock-in Period
Yash Tikekar	05/12/2020	100	100	10/-	10/-	Subscription to MOA	[●]	3 Years
	31/03/2022	30,69,800	30,69,800	10/-	10/-	Right Issue	[●]	3 Years
Total		30,69,900	30,69,900	NA	NA	NA	[●]	3 Years

Note-

The % Of Post- Issue Paid-up Capital shall be updated in Prospectus.

NOTE-

ALL OTHER CONTENTS/INFORMATION MENTIONED IN THIS CHAPTER SHALL REMAIN UNCHANGED. THE ADDENDUM TO DRHP SHOULD BE READ IN CONTINUATION WITH DRHP DATED FEBRUARY 10, 2024.

SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

DETAILS OF THE OBJECTS OF THE ISSUE

1. Funding of capital expenditure requirements of our Company towards purchase of Plant & Machinery, Civil work and installation cost thereon.

A portion of our capital expenditure will be dedicated to acquiring Plant & Machinery, Civil work and installation cost thereon. This strategic investment aims to align our technological infrastructure with upgraded requirements. The acquisition of advanced machinery is particularly geared towards catering to the additional demand expected from our forthcoming sales efforts. Basis the management assessment and quotation obtained by our Company, we intend to utilize ₹2,091.54 lakhs out of the Net Proceeds towards purchase of 45 Plant & Machinery, and towards Civil work and installation of the same thereon to empower our team to meet the evolving technological demands and efficiently support the growth generated by our sales endeavors in the market. We are yet to place orders for the purchase of these machinery, however the detailed break-down of their estimated costs is as set forth below.

(In Lakhs)

Sr. No.	Description of Plant and Machinery	Quantity	Amount* (in ₹)	Vendor@	Validity
1.	13.7 KL Capacity reactor with multistage PBT / Hydrofoil type agitator, FLP drive, Gear box, Internal cooling / heating coil, Limpet coil with 120 Grit Finish, Polished surface for internal coil capable of withstanding full vacuum – MOC – SS316L. 7 to 8 mm thicknss. Coil Heat transfer area 25 to 26 m2	1	93.75	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
2.	17.5 KL Capacity reactor with gate type agitator, FLP drive, Gear box, Internal cooling / heating coil, Limpet coil with 120 Finish Polish, Polished surface for internal coil capable of withstanding full vacuum – MOC – SS316L. 7 to 8 mm thickness. Coil Heat transfer area 32 to 33 m2	1	142.50	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
3.	Forced circulation re-boiler, 35 m2, Tube, Tube Sheet, Bonnet end SS316L and MS Shell	1	38.40	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
4.	Reflux condenser, 19 m2, Tube, Tube Sheet, Bonnet end SS316L and MS Shell	2	43.68	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
5.	Distillation column, reflux divider-SS316L	1	17.60	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
6.	Finished product polishing equipment for reducing color- Ceramic / SS316L	1	27.85	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
7.	8 Litr High Press Autoclave System - Stainless Steel High Press Reactor, With Internal Deep Sparger, Internal Cooling Coil, Magnetic Seal For Stuffing Box, Flush Bottom Valve, Specially Designed Agitator With Variable Frequency Drive For Veriable Agitator Speed. With Flame Proof Agitator Motor, Suitable Size Stainless Steel Condensor & Suitable Size Stainesll Steel Receiver	1	14.30	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024
8.	Stainless Steel-SS316 Storage Tank 20 Kl, Limpeted Coil For Steam Heating ,Sides Conical On Ms Frame, Roof Rail, Cage With Flat & Board Type Level Indicator	4	107.08	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024
9.	Stainless Steel SS316- Reboiler 8 Kl Working, 50 M2 Steam Heating/ Cooling U Bundle, Saddle Mounted, With Charging, Vent, Vacuum, Thermowell, Manhole & Vapour Nozzle, Drain Nozzle Etc.	1	37.85	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024
10.	SS316 Column 600 MM ID X 12 MTR--Fractional Distillation Column, Internal Supports for Packing, Handhole with Covered Blank Flanges, Reflux Nozzle	1	15.38	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024

Sr. No.	Description of Plant and Machinery	Quantity	Amount* (in ₹)	Vendor@	Validity
	with Distributor				
11.	Column Packing- Specially Deisgned Stainless Steel Metallic Column Packing For Fractional Distilation Column	1	24.64	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024
12.	Condensor- For 8 KL Reboiler & Column System - Shell & Tube Type Condensor Having Both Side Bonnets, Nozzles for Material Vapour, Condensate, Water Cooling Inlet & Out Let Nozzle, Vent, Sheel Side Water Coiling & Tube Side Material, Saddle Mounted	1	14.47	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024
13.	SS 316 Receiver with Level Indicator- Vertically Lugs Mounted Monoblock Designed, Suitable for High Vacuum, Mounted with Glass Tube Level Indicator, Light Glass, Sight Glass, Condensate, Drain, Pressure, Vent, Vacuum, Nitrogen Nozzles As Per Requirement	2	10.90	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024
14.	Formulating Reactors- Monoblock Designed Stainless Steel Blender With Limpeted Coil For Steam Heating & Water Cooling Purpose, Lug Mounted, Stuffing Box- Gland Packings For Sealing , All Nozzles As Per Requirement, Designed Agitator For Formulating Purpose	2	56.90	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024
15.	4.5 KL Reactor System - Stainless Steel reactor with stainless steel internal coil and stainless steel limpted coil with special mechanical seal with designed agitator, reactor suitable for high pressure reaction internal and limpted coil suitable for heating & cooling purpose reactor will have purging sparger thermowell agitator supported with bottom bush.	3	228.00	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024
16.	Condensor for 4.5 KL Reactor System - Shell & Tube type condensor having both side bonnets, nozzels for material vapour, condenset water cooling, vent, Shell side water cooling & Tube side material, lifting lugs provided for installation purpose.	3	49.50	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024
17.	Receiver for 4.5 KL Reactor System - Lug mounted vertically mono block designed receiver having level indicator, light glass, sight glass, condenset, drain, pressure, vent, vaccum, nozzels, as per requirement.	3	27.00	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024
18.	Instrumentation - Gauges, pressure gauge, compound gauge, vaccum gauge, manometers, pressure transmeters, flame proof temperature censor, flame proof temperature indicators, flame proof temperature controllers, auto-vent system, auto-pressure & temperature control cut off system, flowmeteres, auto-level controller, rotameter for distillation column etc.	1	19.00	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024
19.	Fire Protection Safety system updatation as per Fire guidelines, Fire hydrant System, Sprinklers, Safety Equipment- fire automation sprinkler system, fire hydrant system with alarms, smoke detectors, monitoring system, fire hydrant water hose, hose box, water sprinkler monitor, laddlers, Portable fire extinguishers, fire buckets & etc.	1	66.00	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024
20.	Upgradation of existing Effluent Treatment Plant with water reuse system for production capacity of 1000 MT / month screen chamber, O&G chamber & skimmer, Collection tank, Equalization tanks, Raw waste pumps, Settling tank, addition tanks, Aeration, filters and ETP Process technology	1	92.30	Nynex Imports	90 days from date of quotation issue i.e., 06/02/2024
21.	BOILER, 850 kg/ hr capacity, with oil & gas burner dual	1	17.00	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e.,

Sr. No.	Description of Plant and Machinery	Quantity	Amount* (in ₹)	Vendor@	Validity
					07/02/2024
22.	Thermopack- 6 lac kcal / hr with oil & gas burner dual	1	17.50	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
23.	Self Supported chimney for Boiler and Thermopack	1	16.50	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
24.	Water softner 800m3 capacity between regeneration	1	8.50	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
25.	Hytherm for thermopack plus top up for entire oil heating system	1	41.00	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
26.	Transformer & HT connection Breaker	1	38.00	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
27.	APFC Panels with Harmonic filters	1	17.50	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
28.	LT Networking in plant, supplying of metering kiosk, switche gear, breakers, cabling, paneling, termination joints, copper strips, earthing, lights and fixtures.	1	48.00	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
29.	Charges for electrification, liason, permissions, drawings, approvals, Electrical- Electrification For Equipment, Cable, Cable Tray, Starters, Push Button Etc	1	65.00	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
30.	20 KL cooling tower basin tank	1	16.76	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
31.	Cooling Tower - induce draft square counter floor FRP cooling tower having following designed parameteres, inlet (HWT) 36 degree celcius, outlet (CWT) 28 degree celcius with direct driven actual flow fan mounted with weather proof motor casing FRP (1piece moulded) fills PVC water distribution header non corrosive type FRP spray nozzles.	1	12.00	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
32.	Valves - utility & process valves for equipments & utilities as per requirement, safety valves on reactors, rupture disk on reactors as per requirement.	1	36.25	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
33.	Piping - seamless process piping & utility piping for material transfer & as per requirement. Utility piping for cooling, heating, hot oil, nitrogen, air, vaccum, chilled water, vent etc.	1	138.80	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
34.	Insulation--Hot Insulation Lrb Matress As Per Required Size With Aluminium Cladding For Reactor, Reboiler, Column , Vessel , Steam Line/ Hot Oil Lines, Cold - Insulation On Chilled Water Lines	1	46.00	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
35.	High Vaccum system - suitable for process required high vaccum system, nozzles as per requirement.	1	9.60	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024

Sr. No.	Description of Plant and Machinery	Quantity	Amount* (in ₹)	Vendor@	Validity
36.	Specialised instruments Temperature transmitters, indicators, Temperature Control Valves, Level transmitters, Indicators, Instrument quality air generators	1	44.60	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
37.	Process Pump for machinery - pumps suitable for high viscosity product transfer having head with coupled flame proof motor, base frame, coupling guard, tray mounted, drain nozzle.	1	35.40	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
38.	Utility Pumps for machinery - centrifugal pumps for cooling water supply, water jet ejectors, cooling tower circulation, condenset lifting, as per requirement.	1	37.50	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
39.	Kart Flscher Apparatus	1	1.30	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
40.	Brookfield viscometer	1	2.30	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
41.	Melting point apparatus	1	0.70	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
42.	Color comparator (Gardner)	1	2.50	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
43.	Color comparator (Hazen)	1	2.50	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
44.	Laboratory Glassware	1	2.00	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
45.	Laboratory Chemicals	1	1.00	Pukhraj Hastimal & Co.	3 Months from date of quotation issue i.e., 07/02/2024
46.	Heavy load bearing platform extension for reactors and machinery installation	1	58.55	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
47.	1+1 plant heavy load bearing structure and with roofing and mezzaine for supporting equipment	1	89.60	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
48.	Distillation system vertical multi level loading bearing structure with top access	1	19.14	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
49.	Complete factory internal roads resurfacing	1	34.41	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
50.	Construction of ETP pits and plith for tanks and process area for additional capacity, storm pits	1	17.61	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
51.	Boiler House Extension	1	12.88	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
52.	Underground Water Tank Extension and refurbishing	1	15.50	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024

Sr. No.	Description of Plant and Machinery	Quantity	Amount* (in ₹)	Vendor@	Validity
53.	Tank farm, plith, foundations for Tank, reactor platform beams foundation	1	21.75	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
54.	3 coat painting Epoxy for structures, piping, machinery and 3 coating painting for Building	1	36.75	Samarth Engineering	90 days from date of quotation issue i.e., 05/02/2024
Total			2,091.55		

*Note- Excluding the GST and any other applicable taxes

**GST or any other applicable tax shall be paid from our internal accruals. The quotations are subject to additional costs including freight, installation and commissioning costs, transportation costs, packaging and forwarding costs, insurance, customs, duties and other government levies, as applicable shall be paid out of Internal Accruals.

@We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary. Quotation received from the vendor mentioned above is valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the machineries/equipment or at the same costs. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.

The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. The quantity of machinery to be purchased is based on the present estimates of our management. All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. If we engage someone other than the identified third-party vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the items listed above may differ from the current estimates. Our Company shall have the flexibility to deploy the net proceeds as per the internal estimates of our management and business requirements. This may vary depending on the demand for replacement in our existing equipment. The actual mode of deployment has not been finalised as on the date of this Draft Red Herring Prospectus.

2. Funding working capital requirements.

Assumptions for working capital projections made by our Company:

Please find below the Inventory holding days and Trade Payable days: -

Particulars	Estimated	Estimated	Estimated	Actual	Actual	Actual	Actual
	Mar-26	Mar-25	Mar-24	Dec-23	Mar-23	Mar-22	Mar-21
Inventory Holding days	77	91	69	29	23	11	NA
Trade Payable days	22	29	35	36	38	110	NA

Justification:

Particulars	Details
Inventory Holding Days	<p>Throughout Fiscal Years 2022, 2023, our average inventory turnover days consistently rose, aligning with the growth in our revenue. During Stub period of Dec-23, holding days are low as compared to Fiscal Year 2024 Projections. during the stub period, the inventory days recorded a slight decrease to 29 days, attributed to a significant boost in sales throughout the period.</p> <p>In Fiscal year 2024, high activity period resulting in higher inventory levels, moreover as the prices of the inventory are on a rising mode the higher level of inventory carrying is not deterrent on the financial health of the company. Since the inventory in Fiscal 2024 and upcoming years the average inventory turnover days are estimated to increase.</p> <p>Higher Inventory level and holding days is necessary to meet the rapid demands of new orders effectively, in line with our strategic inventory management objectives.</p> <p>Looking ahead to Fiscal Year 2025, our plan is to maintain the average inventory holding days at approximately 91 days. However, as the situation eases the company shall return to reducing the inventory holding period in the fiscal year 2026.</p>
Trade Payables Holding Days	<p>In Fiscal Years 2022 and 2023 and Dec-23 stub period our average credit cycle period exhibited variations, with figures of 110 days, 38 days to 36 days respectively. The significant decrease in trade payables from Fiscal 2022 to Fiscal 2023 was primarily driven by the post effects of the Covid-19 pandemic. Subsequently, in Fiscal years 2023 and 2024 we managed to maintain the credit cycle period within the anticipated range.</p> <p>Looking forward to fiscal Year 2025 and 2026, we have set objectives to reduce the creditor cycle period to approximately below 30 days due to fulfillment of raw material orders on time by the vendors and thereby making payment effectively within creditor's terms.</p> <p>This strategic move is aimed at enhancing our business's overall value, which in turn, will allow us to negotiate more favourable terms and establish long-lasting relationships with our creditors.</p>

Reason for substantial increase of working capital requirement are mentioned below: -

1. Our Company's business is a working capital intensive and to address the current issue of limited working capital and achieve exponential growth, the company plans to infuse funds into working capital from the Issue Proceeds. Additionally, the company aims to establish partnerships with new clients by offering products at competitive prices and extending more favourable credit terms. These strategic initiatives are expected to drive future growth.
2. In our dynamic business environment, where customer demands fluctuate and inventory management plays a pivotal role, maintaining a robust working capital is imperative. Adequate working capital not only facilitates seamless inventory management but also enables us to meet customer demand promptly and efficiently. Unforeseen contingencies such as supply chain disruptions or production delays can adversely impact our operations. Having a surplus of working capital provides a cushion against such challenges, allowing us to navigate unforeseen obstacles without compromising on service levels or operational efficiency.
3. We offer our clients the flexibility to choose from various payment intervals, including monthly, fortnightly, or weekly, based on the nature of the product and the sourcing of its raw materials. This practice aligns with industry standards, ensuring convenience and adaptability for our valued customers. This flexibility can cater to the varying financial capabilities and preferences of our clients, making our products more accessible and appealing to a wider range of customers.
4. Due to the daily fluctuations in the prices on exchanges/platforms, products utilizing inputs such as fatty oils, fatty acids, and agricultural crops exhibit varying price volatilities, with shorter durations for the former and slightly longer durations, particularly post-cropping season, for the latter due to reduced volatility. Additionally, raw materials linked to petroleum and its derivatives entail a relatively longer validity contingent upon price stability. Longer duration orders pose a high risk, particularly in the face of global crises such as the Covid pandemic, conflicts like the Ukraine War, Middle East tensions, and logistical disruptions like the Suez Canal blockage. Consequently, there is a need for increased working capital to accommodate shorter-duration orders.
5. To survive in competitive market, company is planning to enter into newer region and expand our business. This strategic decision is not just about reaching new markets, it's about solidifying our position in the industry and fostering sustainable growth. By venturing into untapped territories, we aim to unlock fresh opportunities, broaden our customer base, and diversify our revenue streams.

6. Our methodology for estimating orders relies predominantly on historical data, ongoing feedback from customers regarding their present and anticipated consumption trends, and a comprehensive analysis of overall market demand, encompassing our understanding of expected trends and patterns. The pricing structure of our products is subject to fluctuations based on the inputs involved, thus necessitating month-to-month or shorter-term order arrangements. Presently, we do not have any long-term supply contracts with a fixed pricing, as this is feasible only for very large orders of single products.
7. The existing working capital requirements:
 - a. The inventories increased by ₹1,056.28 Lakhs (120.61%) from March 31, 2023 to December 31, 2023 and Increased by ₹754.95 Lakhs (621.95%) from March 31, 2022 to March 31, 2023. Such an increase was due to increase in business operations of the Company and higher production and procurement of goods in order to take advantage of favourable market conditions. Since speciality chemical industry is a growing industry, to meet the growing demands the Company will increase its inventories as depicted in estimations for FY 2024-25 and FY 2025-26.
 - b. The Trade receivables increased by ₹813.76 Lakhs (101.22%) from March 31, 2023 to December 31, 2023 and increased by ₹513.43 Lakhs (176.21 %) from March 31, 2022 to March 31, 2023. This increase is attributed to higher sales on credit terms and increased business volume. To reach a higher customer base and increase the volume of sales, the Company will have to undertake credit sales resulting in an upward trend in trade receivables as depicted in estimations for FY 2024-25 and FY 2025-26.
 - c. The increase in Borrowings by ₹239.95 Lakhs (413.46%) from March 31, 2021 to March 31, 2022 and by ₹568.87 Lakhs (191.02%) from March 31, 2022 to March 31, 2023 was a result from strategic borrowing to fund growth initiatives and operational requirements and a similar increase can be seen in the estimations for FY 2024-25 and FY 2025-26.
 - d. To meet the increasing demands, the purchase of raw material often times is done on credit basis resulting in increase in Trade Payables of the Company by ₹90.19 Lakhs from March 31, 2022 to March 31, 2023 and by ₹993.70 Lakhs from March 31, 2023 to December 31, 2023. The Company plans to reduce the reliance of trade credit to finance its operations and as a result of the same, the estimations for FY 2024-25 and FY 2025-26 depict a diminishing increase in the Trade Payables.
 - e. The average debtor collection cycle has increased from 49 days in FY 2023 to 68 days in FY 2024 and the average creditor payment cycle has remained the same. As a result the working capital requirement of the company has increased in FY 2023-24.

Justification of Working Capital for FY 2023 vis a vis 2022

1. The chemical prices in FY 2023 had reduced drastically on an average basis by 30-35% as compared to FY 2022. As a result, the working capital requirement for FY 2022-23 is substantially less than FY 2021-22.
2. The Financial Year 2021-22 was the first year of operations of the company and therefore the company was unable to obtain high credit cycles from its debtors and creditors. Accordingly, the working capital cycle for the first year via FY 2022 was abnormally high.
3. The Gross Revenue of the company has increased by 2.3 times in FY 2023 and working capital has increased only 1.79 times in FY 2023. The reason for the in-equivalent increase in working capital is for the reason that the promoter had given unsecured loan to the company to the extent of 3.14 Crores. The said funds had been mobilized into day to day operations of the company in time and since the rotation of money with Debtor and Creditor was faster the company was able to grow faster and the working capital requirement of the company had grown only in a controlled manner.
4. The 'Working Capital Margin Ratio' for FY 2022 cannot be compared to FY 2023, because the PAT margins in FY 2022 was extremely low due to smaller factory and lower revenue from operations and high fixed costs.

Justification of Working Capital for FY 2024 vis a vis 2023

1. The average debtor collection cycle has increased from 49 days in FY 2023 to 68 days in FY 2024 and the average creditor payment cycle has remained the same. As a result the working capital requirement of the company has increased in FY 2023-24.

2. The Working Capital disclosed for December 2023 of Rs. 24.33 Crores includes 'Advance given for Plant & Machinery' of 5.13 Crores. Accordingly, the said amount should be excluded while comparing the working capital for FY 2023 and FY 2024.
3. The company has started procuring raw materials from Large distributors in FY 2024 as against smaller traders in FY 2023. Therefore, the purchase prices of RM have gone down but the lead time for procuring raw materials has increased. The average stock holding period of the company has increased from an average 20-25 days to 50-60 days in FY 2024. This has resulted in an increase in working capital for FY 2024. This is the primary reason for raising funds in the IPO.

Note- Other than above details regarding the Funding working capital requirements remains unchanged.

NOTE-

ALL OTHER CONTENTS/INFORMATION MENTIONED IN THIS CHAPTER SHALL REMAIN UNCHANGED. THE ADDENDUM TO DRHP SHOULD BE READ IN CONTINUATION WITH DRHP DATED FEBRUARY 10, 2024.

SECTION VI- ABOUT THE COMPANY INDUSTRY OVERVIEW

OUR MARKET OPPORTUNITY

In India, the food industry is a major consumer of emulsifiers due to the increasing demand for processed foods, bakery products, confectionery, and ready-to-eat meals. Emulsifiers play a crucial role in improving the texture, appearance, and shelf life of these products.

The pharmaceutical and cosmetic industries also contribute to the demand for emulsifiers in India. Emulsifiers are used in the formulation of creams, lotions, ointments, and various pharmaceutical products to achieve the desired consistency and stability.

Growth in Speciality Chemical Market

The importance of chemical industry has resulted in proliferation of chemicals across the globe with the industry sales growing at a Compounded Annual Growth Rate (CAGR) of 4.3% from USD 3,575 billion in (Calendar Year) CY16 to USD 4,062 billion in CY19 and is estimated to grow at a CAGR of 5% to 6% through CY27. This growth will largely be driven by developing markets like Asia Pacific (APAC) which are likely to grow at a higher CAGR of around 7%-8% compared to the growth in more matured markets like US and Europe which will be lower at around 2%-4%. Domestic market for speciality chemical has seen a year on year increase for the last decade. The domestic Industry is expected to grow at 5 to 6% year on year on a regular basis. Further key industries such as Food, Cosmetics, Personal Care and Mining will be seeing a continual growth domestically for the next 10 years.

Chemical Industry in India

Covering more than 80,000 commercial products, India's chemical industry is extremely diversified and can be broadly classified into bulk chemicals, specialty chemicals, agrochemicals, petrochemicals, polymers, and fertilisers. India is the 6th largest producer of chemicals in the world and 3rd in Asia, contributing 7% to India's GDP. India's chemical sector, which is currently estimated to be worth US\$ 220 billion in 2022 and is anticipated to grow to US\$ 300 billion by 2025 and US\$ 1 trillion by 2040.

The Indian chemicals industry stood at US\$ 178 billion in 2019 and is expected to reach US\$ 304 billion by 2025 registering a CAGR of 9.3%. The demand for chemicals is expected to expand by 9% per annum by 2025. The chemical industry is expected to contribute US\$ 383 billion to India's GDP by 2030.

India has traditionally been a world leader in generics and biosimilars and major Indian vaccine manufacturers, contributing more than 50% of the global vaccine supply. Chemicals and petrochemicals demand in India is expected to nearly triple and reach US\$ 1 trillion by 2040.

An investment of Rs. 8 lakh crore (US\$ 107.38 billion) is estimated in the Indian chemicals and petrochemicals sector by 2025. The specialty chemicals constitute 22% of the total chemicals and petrochemicals market in India. The demand for specialty chemicals is expected to rise at a 12% CAGR in 2019-22.

A network of 200 national laboratories and 1,300 R&D centres provides a strong base to the Indian chemical industry to drive innovations. The chemical industry is expected to contribute US\$ 383 billion to India's GDP by 2030.

Specialty chemicals constitute for 22% of the total chemicals and petrochemicals market in India. Within the next five years, India's market share for specialty chemicals is anticipated to double. Specialty chemicals make up 20% of the \$4 trillion worldwide chemicals market, with the Indian market projected to grow at a CAGR of 12% to US\$64 billion by 2025. A healthy increase in demand (CAGR of 10–20%) in the export/end-user industries would be the main driver of this gain. Specialty chemical companies are seeking at import substitutions while exploring export opportunities to accelerate their business.

The Indian specialty chemicals industry is undergoing a transformative phase driven by innovation, investments, and evolving market dynamics. With a focus on sustainability, innovation, and global competitiveness, the industry is expected to continue its growth trajectory in the coming years.

NOTE-

ALL OTHER CONTENTS/INFORMATION MENTIONED IN THIS CHAPTER SHALL REMAIN UNCHANGED. THE ADDENDUM TO DRHP SHOULD BE READ IN CONTINUATION WITH DRHP DATED FEBRUARY 10, 2024.

BUSINESS OVERVIEW

Our Company was originally incorporated as Private Limited, under the Companies Act, 2013 (“**Companies Act**”) in the name and style of “*Indian Emulsifier Private Limited*” on December 05, 2020 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Mumbai, Maharashtra. Later on, company was converted into public limited company, the name of our Company was changed to “*Indian Emulsifier Limited*” and fresh Certificate of Incorporation dated January 05, 2024 was issued by the Registrar of Companies, Mumbai, Maharashtra. Subsequently, the Company worked towards setting up of their factory and commenced production starting April, 2021.

Key Performance Indicators of Our Company*

**As certified by M/s Dave & Dave, Chartered Accountants, by way of their certificate dated February 09, 2024.*

Note- Other than above details regarding the KPI remains unchanged.

Top 10 Suppliers: -

Sr No	Supplier List	Dec-23		Mar-23		Mar-22	
		Amount	% wise of Total Purchase	Amount	% wise of Total Purchase	Amount	% wise of Total Purchase
1	Supplier 1	25,39,73,253	56.76%	12,66,86,655	33.61%	-	
2	Supplier 2	7,84,80,821	17.54%	84,68,950	2.25%	1,40,69,694	9.49%
3	Supplier 3	3,78,75,300	8.46%	10,70,67,400	28.41%	4,79,59,494	32.34%
4	Supplier 4	3,74,95,671	8.38%	7,84,14,641	20.80%	5,75,85,211	38.83%
5	Supplier 5	1,44,30,711	3.22%	2,49,19,342	6.61%	1,09,59,742	7.39%
6	Supplier 6	-	-	34,73,895	0.92%	52,18,725	3.52%
7	Supplier 7	31,61,138	0.71%	-	-	-	-
8	Supplier 8	55,92,457	1.25%	19,38,000	0.51%	-	-
9	Supplier 9	33,15,490	0.74%	49,09,354	1.30%	20,21,458	1.36%
10	Supplier 10	24,61,300	0.55%	-	-	-	-
11	Supplier 11	13,69,240	0.31%	22,84,500	0.61%	8,14,800	0.55%
12	Supplier 12	-	-	56,31,225	1.49%	-	-
13	Supplier 13	-	-	-	-	10,60,100	0.71%
14	Supplier 14	-	-	-	-	12,28,150	0.83%
15	Supplier 15	-	-	-	-	33,82,095	2.28%
	Total	43,81,55,381	97.92%	36,37,93,962	96.52%	14,42,99,469	97.31%

**It is brought to your notice that we have wrongly mentioned under Risk Factor 6 on page no. 29 of the DRHP, that “Our top Five suppliers contributed approximately 95.36%, 91.68%, 76.39 and Nil of our total purchases for the period ended December 31, 2023 and for the Financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 based on Restated Financial Statements”. Further it is to be rectified to “Our top Five suppliers contributed approximately 94.36%, 91.68%, 91.58 and Nil of our total purchases for the period ended December 31, 2023 and for the Financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 based on Restated Financial Statements”.*

Top 10 Customers: -

Sr No	Customer List	Dec-23		Mar-23		Mar-22	
		Amount	% wise of Total Sales	Amount	% wise of Total Sales	Amount	% wise of Total Sales
1	Customer 1	14,80,34,400	30.41%	9,57,54,000	23.25%	1,54,14,295	8.72%
2	Customer 2	9,87,45,400	20.29%	6,59,07,600	16.00%	1,35,26,553	7.65%
3	Customer 3	-	-	1,15,76,200	2.81%	69,02,400	3.90%
4	Customer 4	8,01,71,141	16.47%	10,47,66,110	25.44%	6,92,88,050	39.18%
5	Customer 5	4,57,01,355	9.39%	2,20,00,456	5.34%	1,07,44,500	6.08%
6	Customer 6	2,67,84,950	5.50%	3,20,04,100	7.77%	2,44,96,550	13.85%
7	Customer 7	2,64,53,488	5.43%	1,55,16,650	3.77%	1,18,08,035	6.68%
8	Customer 8	-	-	-	-	1,21,59,389	6.88%
9	Customer 9	1,36,07,000	2.80%	-	-	-	-
10	Customer 10	1,32,48,100	2.72%	1,09,37,240	2.66%	-	-
11	Customer 11	1,07,80,000	2.21%	1,08,14,750	2.63%	-	-
12	Customer 12	77,82,600	1.60%	2,56,48,000	6.23%	23,04,000	1.30%
13	Customer 13	-	-	-	-	22,62,240	1.28%
	Total	47,13,08,434	96.83%	39,49,25,106	95.90%	16,89,06,012	95.52%

*It is brought to your notice that we have wrongly mentioned in Risk Factor 5 on page no. 29 of the DRHP, that "from our Top 5 Customers, we generate ₹4,117 lakhs of revenue, which is 78.70% of the Total Revenue generated as on March 31, 2023". Further it is to be rectified to "from our Top 5 Customers, we generate ₹3240.80 lakhs of revenue, which is 78.70% of the Total Revenue generated as on March 31, 2023".

RAW MATERIAL

Behind these specialized compounds lie a diverse range of raw materials which are 100% domestically sourced based on competitive market price at the time of procurement. Below is a comprehensive list of raw materials utilized in the production of various specialty chemicals:

- A. Petroleum/Synthetic Sources: Various organic compound that are a member of the class of ethanolamine, ethyl, carbolic acid, phenolic acid, oleic acid, sodium, zin, phosphorous, etc.
- B. Agricultural/Fatty Oil Sources: Various organic compound that form part of or are derived from fatty acids, lauric acids, glycerin, refined soyabean oil, sorbitol, etc.
- C. Agrochemical Sources: Various organic compound that form part of or are derived from methanol, phenolic acid, maleic acid, Alkyl alcohol, etc.
- D. Petroleum Sources: Various organic compound that form part of or are derived from polyether, isobutene, etc.

HUMAN RESOURCE

S. No.	Particular	Employees
1.	Management includes Key Managerial Personal	03
2.	Production Department	10
3.	QA & QC Lab Department*	07
4.	Store Department	02
5.	Maintenance Department	08
6.	Administration Department	03
	Total	34

*It is to be noted that the QA & QC Lab Department is the same as Research & Development Department.

Note- Other than above details regarding the Human Resources remains unchanged.

PLANT & MACHINERY

Our manufacturing unit have been setup by using the machineries and components which have been bought from reliable sources in the country as well as abroad. All the suppliers have been selected by the company on the basis of their past experience and competitive prices.

The major plant & machinery installed at our factory are as under:

Sr. No.	Particulars	Features
1.	Boiler	Provides a heating medium for low temperature reaction by circulation of steam
2.	Thermopack	Provides a heating medium for high temperature reaction by circulation of Thermic Fluid
3.	Thermic Fluid	Heating medium for Thermopack circulation for high temperature heating
4.	Stainless Steel and Mild Steel Storage tanks	Storage of raw materials and finished products
5.	Cooling towers	For providing cooling for reaction through circulation of cold water
6.	Distillation assembly	Distillation for certain products to remove impurities
7.	High-Pressure Stainless-Steel Reactors and Assembly	For carrying out the chemical reactions wherein raw materials react to form finished product
8.	Addition Vessels	For melting and measuring raw materials for reaction addition wherein molten product required
9.	Condensers	For condensation of process vapours
10.	Receivers	for collection of condensates from confessors
11.	Digital Weighing Scales	for weighment of raw materials and finished product
12.	Pp Filter Press	filtration of certain finished products
13.	Sparkler Filter	filtration of certain finished products
14.	Mild Steel Beam	structure for Distillation assembly, High-Pressure Stainless-Steel Reactors and assembly, Addition vessels, Condensers, Receivers
15.	Mild Steel Channel	structure for Distillation assembly, High-Pressure Stainless-Steel Reactors and assembly, Addition vessels, Condensers, Receivers
16.	Mild Steel Plate	structure for Distillation assembly, High-Pressure Stainless-Steel Reactors and assembly, Addition vessels, Condensers, Receivers
17.	Mild Steel Chequered Plate	structure for Distillation assembly, High-Pressure Stainless-Steel Reactors and assembly, Addition vessels, Condensers, Receivers
18.	Reaction Vessels	for formulating of formulated products
19.	Air Compressor	vaccum for charging / process vaccum
20.	Flaker	flaking of flake from finished products
21.	Chilling Plant	chilling of product for flaking
22.	Nitrogen Tanks	storage for nitrogen used for reactions
23.	Heat Exchanger	cooling of in process material
24.	Pressure Reactors	for high pressure reaction
25.	High Vaccum Systems	providing vaccum for reaction medium and product charging
26.	Water Softners	softening of water for steam and cooling towers
27.	Circulation Pumps	circulation of heating / cooling medium
28.	Process Pumps	pumping of material to and from storage
29.	Transformer	Electrical transformer plant
30.	Electrical APFC Panels	Electrical panels for plant
31.	LT Networking	Electrification of plant
32.	Dg Set	generator for back-up power
33.	Hvac System	for air control for product unloading
34.	Process And Utility Piping	for circulation of heating, cooling medium and material
35.	Insulation,	insulation of reactors, machinery, piping etc for reduction of heat loss
36.	Fire Hydrant	fire equipment
37.	Sprinkler	fire equipment
38.	Safety Equipment	fire equipment
39.	Electronic Gauges	various process gauges
40.	Effluent Treatment Plant	processing of effluent to treat it primary and secondary for onward processing at MIDC common effluent treatment plant
41.	Chimneys	stack for boiler and thermopack
42.	Laboratory Equipment	Quality Control testing of parameters for specifications
43.	Process And Utility Valves	for flow open and closing across all piping, circulation, utilities

RESEARCH AND DEVELOPMENT FACILITY

As a specialty chemical manufacturing company, we are driven by technical innovation in formulations and applications of our products. Our R&D efforts are driven by customer needs, in terms of meeting specific needs that our direct customers communicate to us prior to us manufacturing our products. As a specialty chemical manufacturing company, we continuously monitor industry trends so as to ensure that our products continue to remain relevant and help our customers meet the evolving market demands.

Our qualified and experienced in-house R&D team focuses on the development of new products and formulations including collaborative product development with our customers to customize our products in line with customer expectations and end-user preferences, whilst simultaneously ensuring shorter lead-times and cost competitiveness. Our R&D Department situated at our Lote MIDC Factory wherein the product is developed, standardized and commercialized capacity which later goes through various Quality testing by our QA & QC team. Here the products undergo a transformative journey encompassing development, standardization, and commercialization. Leveraging advanced machinery, the chemical processes employed are diverse and sophisticated. These processes include Esterification and Transesterification, Sulphation and Sulphitisation, Quaternisation, Phosphorylation, Emulsification, Imidazoline formation, Wax Emulsion, Amphoterics, Esterquat synthesis, Polyamide creation, Polymerized surfactants, Amides & Imidazolines production, Poly-quaternary ammonium compounds synthesis, Polymerization, and the formulation of specialized products. The Research and Development Department serves as the nucleus for pushing the boundaries of chemical processes, ensuring that our products not only meet but exceed industry standards, leading to innovative solutions that cater to diverse market needs.

DETAILS OF PROPERTIES

Immovable Property.

Details of our properties are as follows:

Properties Owned/Leased by the company:

Sr. No.	Details of Properties	Licensor/Lessor / Vendor	Owned/Leased/ License	Consideration / Lease Rental / License Fees (in ₹)	Usage	Tenure
1.	Shop 206, Floor-2, Sumer Kendra, Shivram Seth Amrutwar Road Near Doordarshan Kendra, Off Pandurang Budhwar Marg, Worli, Mumbai 400 018, Maharashtra, India.	Peddington Lubricants & Coatings Private Limited ⁽¹⁾	Leave and Licenses	1. June 15, 2023 to June 14, 2024- ₹1,35,000/- 2. June 15, 2024 to June 14, 2025- ₹1,45,000/- 3. June 15, 2025 to June 14, 2026- ₹1,55,000/-	Registered Office	For a period of 36 months expiring on June 14, 2026.
2.	E-10 Lote, Parashuram Industrial Zone Midc, Khed, Ratnagiri- 415 722, Maharashtra, India.	Duchem Specialties India Private Limited	Owned	₹5,00,00,000/-	Manufacturing Factory	-
3.	Warehouse No.3, Bldg No. 504/1, Karwar Spring Compund, Survey No.60/1, Near Nisarg Restaurant, Mumbai Pune Highway, Deravali Village, Near Kon Gaon Panvel-410 221,	Rajesh Sudhakar Shetiya & Sachin Sudhakar Shetiya ⁽²⁾	Leave and Licenses	1. First 12 months- ₹1,25,000/- 2. Next 12 months- ₹1,30,000/- 3. Next 12	Warehouse 1	For a period of 36 months expiring on December 31, 2026.

Sr. No.	Details of Properties	Licensor/Lessor / Vendor	Owned/Leased/ License	Consideration / Lease Rental / License Fees (in ₹)	Usage	Tenure
	Raigad, Maharashtra, India.			months- ₹1,35,000/-		
4.	Plot no. -28, Lote Parshuram MIDC, Ratnagiri-415 722, Maharashtra, India.	Aditya Civil Construction	Leased	₹40,000/- p.m.	Warehouse 2	25/04/2023 to 24/04/2024

Note: -

1. The Leave and License agreement has been entered between Peddington Lubricants & Coatings PVT LTD (Licensor) and Chemical Brother Enterprise PVT LTD (Licensee) one of our group Companies. The Company is authorized to use these premises in terms of clause 21 of the lease agreement and NOC dated January 09, 2024. As whole of the rent is being paid by the Licensee, the details of consideration have been kept blank.
2. The Leave and License agreement has been entered between Rajesh Sudhakar Shetiya & Sachin Sudhakar Shetiya (Licensor) and Chemical Brother Enterprise PVT LTD (Licensee). one of our group Companies. The Company is authorized to use these premises in terms of clause 13 of the lease agreement. As whole of the rent is being paid by the Licensee, the details of consideration have been kept blank.

NOTE-

ALL OTHER CONTENTS/INFORMATION MENTIONED IN THIS CHAPTER SHALL REMAIN UNCHANGED. THE ADDENDUM TO DRHP SHOULD BE READ IN CONTINUATION WITH DRHP DATED FEBRUARY 10, 2024.

OUR MANAGEMENT

BRIEF PROFILE OF OUR DIRECTORS

Rajesh Madhukar Joshi, aged 60 years is the Non-Executive Director of our Company. He has completed LLB from University of Pune in the year 1996 and became a member of the Bar Council of Maharashtra and Goa in the year 1998. He is appointed as the Non-Executive Director of the company with effect from December 27, 2023. He brings with him the energy, vision, and plan to grow the company exponentially in the coming years. He is a practicing advocate dealing with criminal, civil, environment, revenue, insurance, consumer cases/suits / appeals etc. He has the experience of more than two decades in legal field.

Vaishali Dipen Tarsariya, aged 32 years is the Non-Executive Independent Director of our Company. She has completed Bachelor of Commerce from Institute of Distance and Open Learning, University of Mumbai in the subject of Financial Accounting and Auditing in the year 2014. She was appointed as the Non-Executive Independent Director of the company with effect from December 27, 2023 for a period 5 years. She has worked with J M Mehta & Co. as an Associate Accountant till April, 2021. She brings to the Company her work experience in the field of finance to guide the Company towards development in the industry.

Rajaram Gordhanlal Agarwal, aged 60 years is the Non-Executive Independent Director of our Company. He has completed the course of Chartered Accountancy from the Institute of Chartered Accountants of India in the year 2008 and was admitted as an Associate of the Institute as on March 11, 2008. He was appointed as the Non-Executive Independent Director of the company with effect from November 27, 2023 for a period 5 years. He has been a part of the Specialty Chemical Industry for the last over 30 years. He was associated with DCW Limited till May, 2021. He has experience in varied sectors including Auditing, accounting & Financing. Having an experience spread across verticals along with an in-depth understanding of markets across the globe he holds an edge in the specialty chemical industry to lead our company.

NOTE-

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OUR GROUP COMPANIES

1. Chemical Brothers Enterprises Private Limited

Shareholding Pattern: -

Name of Shareholder	No. of shares held	% of holding
VRT Enterprises Pvt Ltd	14,50,000	48.33%
Yash Tikekar	15,50,000	51.67%

Nature & Type of Business: -

To carry on manufacture, produce, refine, process, formulate, acquire, convert, sell, distribute, import, export, dealing in either as principal or agents in organic and inorganic chemicals, alkalis, acids, gases, petrochemicals, salts, electrochemicals, chemical elements and compound pesticides, insecticides, light 7 heavy chemicals of any nature used, or capable of being used in the pharmaceuticals, textile industry, defence chemicals, fertilisers, petrochemicals, and industrial chemicals, solvents of any mixtures, derivatives and compound thereof.

2. VRT Enterprises Private Limited

Shareholding Pattern: -

Name of Shareholder	No. of shares held	% of holding
Yash Tikekar	14,07,000	70.00%
Vasant Tikekar	6,03,000	30.00%

Nature & Type of Business: -

To carry on the business as manufacturers, traders, distributors in all kind of chemicals and allied industries.

3. YST Life Sciences Private Limited

Shareholding Pattern: -

Name of Shareholder	No. of shares held	% of holding
Yash Tikekar	7,10,000	70.30%
VRT Enterprises Pvt Ltd	3,00,000	29.70%

Nature & Type of Business: -

Manufacturing and Trading in Speciality Chemicals.

NOTE-

ALL OTHER CONTENTS/INFORMATION MENTIONED IN THIS CHAPTER SHALL REMAIN UNCHANGED. THE ADDENDUM TO DRHP SHOULD BE READ IN CONTINUATION WITH DRHP DATED FEBRUARY 10, 2024.

SECTION VII- FINANCIAL INFORMATION

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

DISCUSSION ON RESULT OF OPERATIONS

As per the Restated financials

(₹ In Lakhs)

Particulars	31.03.2022	31.03.2023	31.12.2023
Revenue from operations	4,867.36	4,117.97	1,768.31
Other Expenses	289.12	266.22	228.87
PAT	4.31	389.44	675.01

Rational for Substantial Increase in PAT Margin: -

As per the restated financials, Profit after Tax (PAT) has increased from 4.31 lakhs in FY 2022 to 389.44 lakhs in FY 2023 and 675.01 lakhs in Stub period December 2023. Notably, this substantial increase in PAT has occurred due to corresponding substantial increase in revenue from operations. The reason for spike in sales is that the company's portfolio earlier comprised of only 8-10 products. However, subsequent to strategic expansions, the company diversified its operations to encompass 45 to 50 products. This diversification in products catalyzed a surge in the company's order book and consequently Revenue from operations.

Due to the diversification in products, the company was able to optimize its manufacturing resources and operate with higher efficiency resulting in a higher gross margins on products sold and lower fixed cost of manufacturing. The Factory and Manufacturing Factory expenses as a percentage to revenue drastically fell from 9.39% in Fiscal year 2021-22 to 5.45% in Fiscal year 2022-23 and 4.36% in period ended December 2023. This resulted in higher PAT margins for the company.

Further, the factory capacity utilisation of the company has substantially increased to 2176 MT/PA for FY 2023 from 943.72 MT/PA in FY 2022. The Gross Revenue of the company has increased by 2.3 times and did not result in substantial increase in fixed expenses of the company. Factory Expense includes Factory rental, Factory staff salary, Security expense & other Factory expenses (consumables, repairs and maintenance) along with selling and distribution expense which are in the nature of fixed expenses. The substantial savings on fixed expenses due to increase in turnover of the company is one of the reason for substantial profits in FY 2023 as compared to FY 2022.

As operations in the specialty chemical industry have improved, there has been a noticeable expansion in the product basket to incorporate higher-margin, more specialized products. This shift represents a strategic evolution towards catering to niche markets and maximizing profitability, departing from earlier offerings that were less specialized and yielded lower margins.

Post Covid, there was a volatility in the prices of raw materials, and there was a sharp decrease in certain chemical items like Molten Phenol, Styrene Monomer, etc. which was acquired at lower prices which is also a contributing factor for increasing Profit after tax (PAT).

NOTE-

ALL OTHER CONTENTS/INFORMATION MENTIONED IN THIS CHAPTER SHALL REMAIN UNCHANGED. THE ADDENDUM TO DRHP SHOULD BE READ IN CONTINUATION WITH DRHP DATED FEBRUARY 10, 2024.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPEMENT

CHEMICAL BROTHERS ENTERPRISES PRIVATE LIMITED (Group Company)

1. A.Y. 2020-21:

As per details available on the website of the Income Tax Department M/s. **Chemical Brothers Enterprises Private Limited** (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2021202037041374163C dated February 07, 2022 passed u/s. 154 of the Income Tax Act, 1961, raising a demand of Rs. 19,62,300/- for A.Y. 2020-21 in addition to an interest of Rs.5,88,690/- and the same has been disputed by the assessee and is pending.

2. A.Y. 2018-19:

As per details available on the website of the Income Tax Department M/s. **Chemical Brothers Enterprises Private Limited** (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing no. 2019201837025044971C dated May 15, 2019 passed u/s. 143(1) (a) of the Income Tax Act, 1961, raising a demand of Rs. 3,89,190/- for A.Y. 2018-19 and the same has been disputed by the assessee and is pending.

1) Other Pending Litigation based on Materiality Policy of our Company.

Chemical Brothers Enterprise Pvt. Ltd. Vs Brijendra Kumar Mishra Resolution Professional of Lakeland Chemicals India Pvt. Ltd

Interlocutory Application no. IA (I.B.C)-4354/2023 (60(5)) dated September 18.09.2023 in filed u/s. 60(5) of the Insolvency and Bankruptcy Code before the Hon'ble National Company Law Tribunal, Mumbai

Connected Matter:

Interlocutory Application no. IA (I.B.C)-796/2023 in Company Petition (IB) No. 3141 of 2018

Original matter:

Mahavir Interchem (Operational Creditor / Petitioner) V/s. Lakeland Chemicals (India) Pvt. Ltd. (Corporate Debtor / Respondent) Company Petition (IB) No. 3141 of 2018

The Operational Creditor herein filed a Company petition under the Insolvency and Bankruptcy Code for recovery of its dues wherein the Resolution Professional was appointed and the resolution plan was approved accordingly by the Hon'ble National Company Law Tribunal, Mumbai Bench on September 19, 2022.

Subsequently on December 02, 2022, the Resolution Professional of the Corporate Debtor filed an Interlocutory Application no. 796 /2023 under the provisions of Sections 45 & 66 of the Insolvency & Bankruptcy Code, 2016 with following details:

Brijendra Kumar Mishra (Resolution Professional of Lakeland Chemicals (India) Pvt. Ltd.) (Applicant /Resolution Professional) V/s. 1. Vijay Narayan Atha Iye and 2. M/s. Chemical Brothers Enterprise Pvt. Ltd. (Parties at Point No. 1 & 2 together referred to as Respondent no. 1 & 2 respectively and collectively as Respondents) bearing Interlocutory Application No. 796 of 2023

In the aforementioned interlocutory application (I.A.) it was alleged that the respondents herein i.e M/s. Chemical Brothers Enterprise Pvt. Ltd. & Others entered into undervalued preferential transactions within a period of 2 years before the date of commencement of CIRP of the Corporate Debtor i.e. M/s. **Lakeland Chemicals (India) Pvt. Ltd.**, thus holding the respondent herein, one of the parties responsible for leading the Corporate debtor into insolvency and hence the above I. A. bearing no. 796/2023 was filed by the Resolution professional.

Aggrieved by the aforementioned Interlocutory Application, the Respondent in the I.A. No. 796 of 2023 i.e. M/s. Chemical Brothers Enterprise Pvt. Ltd. filed a counter Interlocutory application with the following details:

Interlocutory Application no. IA (I.B.C)-4354/2023 (60(5)) dated September 1 S.09.2023 in filed 11/s. 60(5) of the Insolvency and Bankruptcy Code before the Hon'ble National Company Law Tribunal, Mumbai

Connected Matter:

Interlocutory Application no. IA (I.B.C)-79612023 in Company Petition (IB) No. 3141 of 2018

Aggrieved by the aforementioned Interlocutory Application, the Respondent in the I.A. No. 796 of 2023 ie. M/s. Chemical Brothers Enterprise Pvt. Ltd. herein filed a counter Interlocutory application bearing no. IA (I.B.C)-4354/2023, under Section 60(5) of the Insolvency & Bankruptcy Code, 2016 before the Hon'ble NCLT Bench, Mumbai, challenging the maintainability of the captioned Interlocutory application no. 796 of 2023 filed by the resolution professional and praying interalia for dismissal of the captioned application no. 796 of 2023. The matter is pending before the Hon'ble National Company Law Tribunal, Mumbai and it was last heard on February 08, 2024. As of now next date of hearing has not been given in the matter.

The litigation mentioned herein is in respect of the Group Company and any adverse decision in the matter shall not impact the company in any manner.

NOTE-

ALL OTHER CONTENTS/INFORMATION MENTIONED IN THIS CHAPTER SHALL REMAIN UNCHANGED. THE ADDENDUM TO DRHP SHOULD BE READ IN CONTINUATION WITH DRHP DATED FEBRUARY 10, 2024.

GOVERNMENT AND OTHER APPROVALS

APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS:

Sr. No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
3.	GST Registration Certificate (Maharashtra)	M/s. Indian Emulsifiers Private Limited, E-10 Lote, Parashuram Industrial Zone MIDC, Khed, Ratnagiri, Ratnagiri, Maharashtra, 415722 <hr/> Additional Address: Warehouse No.3, Bldg No. 504/1, Karwar Spring Compund, Survey No.60/1, Near Nisarg Restaurant, Mumbai Pune Highway, Deravali Village, Near Kon Gaon Panvel, Raigad, Maharashtra, 410221 <hr/> Additional Address: P-28, Unnamed Road, Maharashtra State Warehousing Corporation Warehouse, Lote Parshuram MIDC, Lote Parshuram MIDC, Ratnagiri, Maharashtra, 415722	27AAFCI9300K1ZF	Goods and Services Tax department	April 15, 2021	Valid till Cancelled

Note- Other than date of Issue GST, other details regarding the Approvals / Licenses / Permissions in Relation to our Business remains unchanged.

NOTE-

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OTHER REGULATORY AND STATUTORY DISCLOSURES

ELIGIBILITY FOR THE ISSUE

As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and / or other eligibility conditions of NSE Emerge Platform in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations as below:

3. Our Company confirms that as per the eligibility requirement of NSE Emerge :
 - a) Our Company has a track record of 3 years ;
 - b) Further, the promoter of our company has experience in the same line of business for more than 3 years and is holding atleast 20% of the post issue equity share capital individually.

NOTE-

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SECTION XI- OTHER INFORMATION

DECLARATION

We, hereby declares that, all the relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, notified provisions of Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case maybe. We further certify that all the statements made in this Addendum to Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

<i>SD/-</i> Yash Tikekar Managing Director DIN: 02206485	<i>SD/-</i> Abhay Tikekar Whole Time Director DIN: 10425123
<i>SD/-</i> Rajesh Madhukar Joshi Non-Executive Director DIN: 06533262	<i>SD/-</i> Rajaram Gordhanlal Agarwal Non-Executive Independent Director DIN: 10384386
<i>SD/-</i> Vaishali Dipen Tarsariya Non-Executive Independent Director DIN: 10435220	

SIGNED BY THE CFO AND CS OF OUR COMPANY

<i>SD/-</i> Mandeep Brijkishore Pandey Chief Financial Officer	<i>SD/-</i> Ramraj Singh Thakur Compliance Officer & Company Secretary
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Place: Mumbai

Date: April 23, 2024.