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VITAL CHEMTECH LIMITED

Corporate Identification Number: U24299GJ2021PLC127538

Our Company was originally incorporated as a private limited company on November 11, 2013, as 'Rudra Chemtech Private Limited', under the provisions of the Companies Act, 1956. Subsequently, Our Company was converted to Limited Liability Partnership Firm as 'Rudra Chemtech Limited Liability Partnership' having duly passed the necessary resolution in terms of Rule 20(1) of the LLP Rules, 2009 on February 12, 2015, under the LLP Act, 2008. Thereafter, on February 20, 2015, name was changed to 'Vital Chemtech Limited Liability Partnership' pursuant to Rule 20(3) of the LLP Rules, 2009. Later on, our Limited Liability Partnership was converted to Public Limited Company under section 366 Part I chapter XXI of the Companies Act, 2013 as 'Vital Chemtech Limited' and fresh Certificate of Incorporation dated November 25, 2021, was issued by Assistant Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U24299GJ2021PLC127538.

Registered Office: B-406, Mondeal Heights, Opp. Karnavati Club, S. G. Highway, Ahmedabad -380015, Gujarat

Website: www.vitalgroup.co.in; **E-Mail:** info@vitalgroup.co.in; **Telephone No:** +91 79 4600 5840

Company Secretary and Compliance Officer: Mrs. Puja Paras Mehta

PROMOTERS OF OUR COMPANY: MR. VIPUL JATASHANKER BHATT AND MRS. SANGEETA VIPUL BHATT

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED JULY 29, 2022: NOTICE TO THE INVESTORS ("THE ADDENDUM")

INITIAL PUBLIC ISSUE OF UPTO 6400000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF VITAL CHEMTECH LIMITED ("VCL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"), OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●]% AND [●]%, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH.

Potential Bidders may note the following:

- In the sections "Cover Pages", "Definition and Abbreviations", "Summary of Draft Red Herring Prospectus", "The Issue", "General Information", "Capital Structure", "Objects of the Issue", "Business Overview", "Our Management" and "Our Promoters and Promoter's Group", "Terms of the Issue", "Issue Structure" and "Issue Procedure" provided herein below as part of Addendum, modifications have been updated.

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 Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchange. All capitalised 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 Vital Chemtech Limited

Sd/-

Place: Ahmedabad

Date: September 21, 2022

Mr. Vipul Jatashanker Bhatt

Chairman cum Managing Director

BOOK RUNNING LEAD MANAGER

REGISTRAR TO THE ISSUE



BEELINE CAPITAL ADVISORS PRIVATE LIMITED

SEBI Registration Number: INM000012917

Address: 807, Phoenix, Opp. Girish Cold Drinks, Near Vijay Cross Roads, Navrangpura, Ahmedabad -380009, Gujarat.

Telephone Number: 079 4840 5357

Email Id: mb@beelinemb.com

Investors Grievance Id: ig@beelinemb.com

Website: www.beelinemb.com

Contact Person: Mr. Nikhil Shah

CIN: U67190GJ2020PTC114322

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

SEBI Registration Number: INR000003241

Address: D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi – 110020, India.

Tel. Number: 011-40450193-197

Fax- 011-26812683

Email Id: compliances@skylinerta.com

Investors Grievance Id: grievances@skylinerta.com

Website: www.skylinerta.com

Contact Person: Mr. Alok Gautam

CIN: U74899DL1995PTC071324

BID/ISSUE PERIOD

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

1. ENTIRE OFFER DOCUMENT:

Entire offer document has been updated to give grammatical changes consequent to inclusion of Mrs. Sangeeta Vipul Bhatt as promoter i.e. word “Promoter” has been replaced with “Promoters” (singular to plural) and verb “is” has been replaced with “are”, where ever necessary.

2. COVER PAGES:

- a. **Name of Mrs. Sangeeta Vipul Bhatt has been included as Promoter on both cover pages.**

Below is the revised text:

“PROMOTERS OF OUR COMPANY: MR. VIPUL JATASHANKER BHATT AND MRS. SANGEETA VIPUL BHATT”

- b. **Reference of anchor investor portion has been added**

Below is the revised text:

“PROMOTERS OF OUR COMPANY: MR. VIPUL JATASHANKER BHATT AND MRS. SANGEETA VIPUL BHATT”

Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders (except Anchor Investors) are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks (“SCSBs”) or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. For details, see “Issue Procedure” on page 203.

- c. **Reference of anchor investor portion and bid period been added**

Below is the revised text:

Our Company may, in consultation with the Book Running Lead Manager, 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.

3. DEFINITIONS AND ABBREVIATIONS:

- a. **Definition of promoter of the company has been updated by including Mrs. Sangeeta Vipul Bhatt under the table titled “General and Company related terms” on page 1 of Draft Red Herring Prospectus.**

Below is the revised text:

Term	Description
Our Promoters	Mr. Vipul Jatashanker Bhatt and Mrs. Sangeeta Vipul Bhatt

- b. **Definition of Anchor Investor Allocation Price, Anchor Investor Application Form, Anchor Investor Bid/Offer Period or Anchor Investor Bidding Date, Anchor Investor Offer Price, Anchor Investor Portion, Cut-off Price, Net QIB Portion, has been updated under the table titled “Issue related terms” on page 3 and 7 of Draft Red Herring Prospectus.**

Below is the revised text:

Term	Description
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Offer Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bid/Offer Period or Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the Book Running Lead Manager.
Anchor Investor Portion	Upto 60% of the QIB Portion reserved for Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-Off Price. QIB (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-Off Price.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Pay-in-Period	The Period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date

- c. **Definitions of Bid, Bid/Issue Closing Date, Bid/Issue Opening Date, Bid/Issue period, has been updated under the table titled “Issue related terms” on page 3 and 4 of Draft Red Herring Prospectus.**

Below is the revised text:

Term	Description
Bid	An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, <u>or during the Anchor Investor Bid/Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form,</u> to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid/Issue Closing Date	<u>Except in relation to any Bids received from the Anchor Investors,</u> The date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] and editions of [●] (a widely circulated Hindi national daily newspaper), [●] and editions of Ahmedabad (a widely circulated

	<p>Regional language daily newspaper) (Gujarati being the regional language of Gujarat, where our Registered Office is located).</p> <p>Our Company in consultation with the BRLM, may, 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. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations</p>
Bid/Issue Opening Date	<p><u>Except in relation to any Bids received from the Anchor Investors,</u> The date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] and editions of [●] (a widely circulated Hindi national daily newspaper), [●] and editions of Ahmedabad (a widely circulated Regional language daily newspaper) (Gujarati being the regional language of Gujarat, where our Registered Office is located).</p>
Bid/ Issue Period	<p><u>Except in relation to any Bids received from the Anchor Investors,</u> the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders.</p> <p>Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days</p>

4. **SUMMARY OF DRAFT RED HERRING PROSPECTUS**

- a. **Name of Mrs. Sangeeta Vipul Bhatt has been included as Promoter under the paragraph titled “Name of Promoter” on page 19 of Draft Red Herring Prospectus.**

Below is the revised text:

NAME OF PROMOTERS

Promoters of Our Company are Mr. Vipul Jatashanker Bhatt and Mrs. Sangeeta Vipul Bhatt. For detailed information on our Promoters and Promoter’s Group, please refer to Chapter titled “*Our Promoters and Promoter’s Group*” on page no. 157 of this Draft Red Herring Prospectus.

- b. **Shareholding Pattern of the company has been updated under the table titled “Shareholding” on page 20 of Draft Red Herring Prospectus.**

Below is the revised text:

SHAREHOLDING

The shareholding pattern of our Promoters and Promoter’s Group before the Issue is as under;

Sr. No.	Name of shareholders	Pre issue		Post issue	
		No. of equity shares	As a % of Issued Capital*	No. of equity shares	As a % of Issued Capital*
Promoters					
1.	Vipul Jatashanker Bhatt	13162500	74.99	13162500	[●]
2.	Sangeeta Vipul Bhatt	4387500	24.99	4387500	[●]
Total – A		17550000	99.999	17550000	[●]
Promoter’s Group					
1.	Jay Vipul Bhatt	300	Negligible	300	[●]
2.	Vipul Jatashanker Bhatt – HUF	300	Negligible	300	[●]
3.	Keyaa Vipul Bhatt	300	Negligible	300	[●]
4.	Hitesh Jatashankar Bhatt	300	Negligible	300	[●]
5.	Dhaval Hashmukhbhai Pandya	300	Negligible	300	[●]
Total – B		1500	Negligible	1500	[●]
Public					
1	Public in IPO	-	-	[●]	[●]
Total-C		-	-	[●]	[●]
Total Promoters and Promoter’s Group (A+B)		175515000	100.00	[●]	100.00

* Rounded off

- c. Weighted Average cost of Acquisition for shares acquired by Mrs. Sangeeta Vipul Bhatt has been updated under the table titled “Cost of Acquisition & Weighted Average Cost” on page 23 of Draft Red Herring Prospectus.

Below is the revised text:

COST OF ACQUISITION & WEIGHTED AVERAGE COST

Weighted average price at which the Equity Shares were acquired by our Promoters in Last One Year:

Sr. No.	Name of Promoters	No. of Equity Shares Acquired during last one Year	Weighted Average Price* (in ₹ per equity share)
1.	Mr. Vipul Jatashanker Bhatt	13162500	5.5385
2.	Mrs. Sangeeta Vipul Bhatt	4387500	5.5385

- d. Average cost of Acquisition for shares acquired by Mrs. Sangeeta Vipul Bhatt has been updated under the table titled “Average Cost of Acquisitions of Shares for Promoter” on page 23 of Draft Red Herring Prospectus.

Below is the revised text:

AVERAGE COST OF ACQUISITIONS OF SHARES FOR PROMOTERS:

Sr. No.	Name of Promoters	No. of Equity Shares Held	Weighted Average Price* (in ₹ per equity share)
1.	Mr. Vipul Jatashanker Bhatt	13162500	5.5385
2.	Mrs. Sangeeta Vipul Bhatt	4387500	5.5385

5. THE ISSUE

- a. Reference of anchor investor portion has been added on page 44 of the Draft Red Herring Prospectus.

Below is the revised text:

Particulars	Details
Equity Shares Issued*	Issue of upto 6400000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Of which:	
Reserved for Market Makers	[●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Net Issue to the Public	[●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Of which	
<u>Allocation to Qualified Institutional Buyers (Not more than 50% of Net Issu to public)</u>	<u>Not more than [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs</u>
Of which	
<u>Anchor Investors</u>	<u>[●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs</u>
<u>Net QIB Portion (Assuming Anchor allocation portion is fully subscribed)</u>	<u>[●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs</u>
Of which	
<u>Available for allocation to Mutual Funds only (5% of the QIB portion excluding Anchor Investor Portion)</u>	<u>[●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs</u>
<u>Balance QIB Portion for all QIBs including Mutual Funds</u>	<u>[●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs</u>
Allocation to Non-Institutional Investors (Not less than 15% of Net Issue to public)	Atleast [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Allocation to Retail Individual Investors (Not less than 35% of Net Issue to public)	Atleast [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Equity Shares outstanding prior to the Issue	17551500 Equity Shares of ₹ 10/- each
Equity Shares outstanding after the Issue	[●] Equity Shares of ₹ 10/- each
Use of Proceeds	For details, please refer chapter titled “ <i>Objects of The Issue</i> ” beginning on Page no. Error! Bookmark not defined. of this Draft Red Herring Prospectus for information on use of Issue Proceeds.

b. *Note with regards to anchor investor portion has been added on page 45 of the Draft Red Herring Prospectus.*

Below is the revised text:

- (6) Our Company in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI Regulation. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.

6. GENERAL INFORMATION

- a. **Reference of Anchor Investors has been included under the paragraph titled “Book Building Process” on page 53 of Draft Red Herring Prospectus.**

Below is the revised text:

BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process and advertised in all editions of the English national newspaper, all editions of Hindi national newspaper and in Regional newspaper where our registered office is situated at least two working days prior to the Bid/Issue Opening date. The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Issue Closing Date.

Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager in this case being Beeline Capital Advisors Private Limited;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with NSE Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue;
- The Escrow Collection Banks/ Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein allocation to the public shall be made as per Regulation 253 of the SEBI ICDR Regulations

The Issue is being made through the Book Building Process wherein 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI (ICDR) Regulation ("The Anchor Investor Portion), out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders, except Anchor Investors, are mandatory required to use the ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange. Allocation to Anchor Investors will be on a discretionary basis.

All Bidders, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under – subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank

account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “*Issue Procedure*” beginning on page 203 of the Draft Red Herring Prospectus.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 203 of this Draft Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page **Error! Bookmark not defined.** of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

Bid/Issue Program:

Event	Indicative Dates
Bid/Issue Opening Date ⁽¹⁾	[●]
Bid/Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]

Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

(1) Our Company may, in consultation with the Book Running Lead Manager, 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 in accordance with the SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE Emerge taking into account the total number of applications received up to the closure of timings

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCBS / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

7. CAPITAL STRUCTURE

- a. Shares held by Mrs. Sangeeta Vipul Bhatt has been reclassified as shares held by Promoters under the paragraph 8 titled "Our Shareholding Pattern" on page 62 of Draft Red Herring Prospectus.*

Below is the revised text:

(B.) Table –I - Statement showing shareholding pattern of the Promoters and Promoter's Group

Sr. No. (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) as a % of (A+B+C2)	Number of Locked in shares (XII)		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form	
								No of Voting (XIV) Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)		
								Class (eg: X)	Class (eg: Y)	Total									
(1)	Indian																		
(a)	Individuals/Hindu undivided Family	7	17551500	0	0	17551500	100.00	17551500	0	17551500	100.00	0	100.00	[•]	[•]	0	0	17551500	
1	Vipul Jatashanker Bhatt (P)	-	13162500	0	0	13162500	74.99	13162500	0	13162500	74.99	0	74.99	[•]	[•]	0	0.00	13162500	
2	Sangeeta Vipul Bhatt (P)	-	4387500	0	0	4387500	24.99	4387500	0	4387500	24.99	0	24.99	[•]	[•]	0	0.00	4387500	
3	Jay Vipul Bhatt (PG)	-	300	0	0	300	Negligible	300	0	300	Negligible	0	Negligible	[•]	[•]	0	0.00	300	
4	Vipul Jatashanker Bhatt – HUF (PG)	-	300	0	0	300	Negligible	300	0	300	Negligible	0	Negligible	[•]	[•]	0	0.00	300	
5	Keyaa Vipul Bhatt (PG)	-	300	0	0	300	Negligible	300	0	300	Negligible	0	Negligible	[•]	[•]	0	0.00	300	
6	Hitesh Jatashankar Bhatt (PG)	-	300	0	0	300	Negligible	300	0	300	Negligible	0	Negligible	[•]	[•]	0	0.00	300	
7	Dhaval Hashmukhbhai Pandya (PG)	-	300	0	0	300	Negligible	300	0	300	Negligible	0	Negligible	[•]	[•]	0	0.00	300	
(b)	Central Government/ State Government(s)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0	0	
(c)	Financial Institutions/ Banks	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	
(d)	Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	
	Sub-Total (A)(1)	7	17551500	0	0	17551500	100.00	17551500	0	17551500	100.00	0	100.00	[•]	[•]	0	0	17551500	

(2) Foreign																		
(a) Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0
(b) Government	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0
(c) Institutions	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0
(d) Foreign Portfolio Investor	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0
(e) Any Other (specify)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0
Sub-Total (A)(2)	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0	0
Total Shareholding of Promoters and Promoter' Group (A)=(A)(1)+(A)(2)	7	17551500	0	0	17551500	100.00	17551500	0	17551500	100.00	0	100.00	[•]	[•]	0	0	17551500	0

Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen et-. - N.A.

Note:

1. PAN of the Shareholders will be provided by our Company to the Stock Exchange but would not be displayed on website of Stock Exchange(s).
2. The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
3. P= Promoters
PG= Promoter Group

- b. *Shares held by Mrs. Sangeeta Vipul Bhatt has been reclassified as shares held by Promoters under the paragraph 9 titled “The shareholding pattern of our Promoters and Promoter’s Group and public before and after the Issue” on page no 67 of the Draft Red Herring Prospectus.*

Below is the revised text:

The shareholding pattern of our Promoters and Promoter’s Group and public before and after the Issue:

Sr. No.	Name of shareholders	Pre issue		Post issue	
		No. of equity shares	As a % of Issued Capital*	No. of equity shares	As a % of Issued Capital*
Promoter					
1.	Vipul Jatashanker Bhatt	13162500	74.99	13162500	[●]
2.	Sangeeta Vipul Bhatt	4387500	24.99	4387500	[●]
Total – A		17550000	99.99	17550000	[●]
Promoter’s Group					
1.	Jay Vipul Bhatt	300	Negligible	300	[●]
2.	Vipul Jatashanker Bhatt – HUF	300	Negligible	300	[●]
3.	Keyaa Vipul Bhatt	300	Negligible	300	[●]
4.	Hitesh Jatashankar Bhatt	300	Negligible	300	[●]
5.	Dhaval Hashmukhbhai Pandya	300	Negligible	300	[●]
Total – B		1500	Negligible	1500	[●]
Public					
1	Public in IPO	-	-	[●]	[●]
Total-C		-	-	[●]	[●]
Total Promoter and Promoter’s Group (A+B)		17551500	100.00	[●]	100.00

- c. *Built-up of Shares held along with number of shares held and percentage of shares held by Promoters has been updated under paragraph 12 titled “Shareholding of the promoters of our company” on page 68 of Draft Red Herring Prospectus.*

Below is the revised text:

As on the date of the Draft Red Herring Prospectus, our Promoters Vipul Jatashanker Bhatt and Mrs. Sangeeta Vipul Bhatt holds total 1755000 Equity Shares representing 99.99% of the pre-issue paid up equity share capital of our Company. The build-up of equity shareholding of Promoters of our Company is as follows:

VIPUL JATASHANKER BHATT								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre Issue Capital	% of post issue Capital
November 25, 2021	Subscription to Memorandum of Association	5040000	5040000	10	10	5,04,00,000	28.72	[●]
May 28, 2022	Allotment under Right Issue	225000	5265000	10	100	2,25,00,000	1.28	[●]

VIPUL JATASHANKER BHATT								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre Issue Capital	% of post issue Capital
June 13, 2022	Allotment under Bonus Issue	7897500	13162500	10	NIL	-	44.99	[●]
Total		13162500				7,29,00,000	74.99	[●]

SANGEETA VIPUL BHATT								
Date of Allotment / Transfer	Nature of Issue Allotment / Transfer	Number of Equity shares	Cumulative No. of Equity Shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Total Consideration Paid (in ₹)	% of Pre Issue Capital	% of post issue Capital
November 25, 2021	Subscription to Memorandum of Association	1680000	1680000	10	10	1,68,00,000	9.57	[●]
May 28, 2022	Allotment under Right Issue	75000	1755000	10	100	75,00,000	0.43	[●]
June 13, 2022	Allotment under Bonus Issue	2632500	4387500	10	NIL	-	14.99	[●]
Total		4387500				2,43,00,000	24.99	[●]

- d. *Details of average cost of acquisition of shares held by Mrs. Sangeeta Vipul Bhatt has been updated under paragraph 13 on page 68 of Draft Red Herring Prospectus.*

Below is the revised text:

The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹)*
1.	Vipul Jatashanker Bhatt	13162500	5.5385
2.	Sangeeta Vipul Bhatt	4387500	5.5385

- e. *Details of shares held by Mrs. Sangeeta Vipul Bhatt has been updated under paragraph 18 titled "Details of Promoter's Contribution locked in for three years" on page 70 of the Draft Red Herring Prospectus.*

Below is the revised text:

The details of Minimum Promoter's Contribution are as follows:

VIPUL JATASHANKER BHATT									
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Source of Contribution	%of Pre issue Capital	%of post issue Capital	Date up to which Equity Shares are subject to Lock-in
November 25, 2021	November 25, 2021	Subscription to Memorandum of Association	2,700,000	10	10	From Credit Balance of Partner's Capital Account outstanding for a period more than one year	15.38	[●]	3 Years
			2,340,000			From Credit Balance of Partner's Capital Account	13.33	[●]	1 Year
May 28, 2022	May 28, 2022	Allotment under Right Issue	225,000	10	100	[●]	1.28	[●]	3 Years
June 13, 2022	June 13, 2022	Allotment under Bonus Issue	1,865,300	10	NIL	NA	10.63	[●]	3 Years
			6,032,200		NIL		34.37	[●]	1 Year
Total			13,162,500				74.99	[●]	

SANGEETA VIPUL BHATT									
Date of Allotment / Transfer	Date when Fully Paid-up	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	Source of Contribution	%of Pre issue Capital	%of post issue Capital	Date up to which Equity Shares are subject to Lock-in
November 25, 2021	November 25, 2021	Subscription to Memorandum of Association	16,80,000	10	10	From Credit Balance of Partner's Capital Account outstanding for a period more than one year	9.57	[●]	1 Year
May 28, 2022	May 28, 2022	Allotment under Right Issue	75,000	10	100	[●]	0.43	[●]	1 Years
May 28, 2022	May 28, 2022	Allotment under Bonus Issue	26,32,500	10	NIL	NA	14.99	[●]	1 Years
Total			43,87,500				24.99	[●]	

- f. *Number of shares held by persons other than Promoters has been updated under paragraph 20 titled “Lock in of Equity Shares held by Persons other than Promoters” on page 71 of Draft Red Herring Prospectus.*

Below is the revised text:

Lock in of Equity Shares held by Persons other than the Promoters:

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer. Accordingly, 1500 Equity shares held by the Persons other than Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Offer.

8. OBJECTS OF THE ISSUE

- a. *Disclosure with regards to actual utilisation of issue proceeds has been updated as follows under the paragraph titled “Means of Finance” on page 75 of Draft Red Herring Prospectus.*

Below is the revised text:

MEANS OF FINANCE

We intend to finance our Objects of the Issue through Issue Proceeds which are as follows:

Sr. No.	Particulars	Amount Required (₹ in Lakhs)	From IPO Proceeds	Internal Accruals/Equity/Reserves	Balance from Long/Short Term Borrowing
1.	Working Capital Requirements	8,942.06	4500.00	2,983.47	1,458.59
2.	General Corporate Purpose	[•]	[•]	0.00	0.00
3.	Public Issue Expenses	[•]	[•]	0.00	0.00
Total		[•]	[•]	2,983.47	1,458.59

Accordingly, we confirm that we are in compliance with the requirement to make the firm arrangement of finance under Regulation 230(1) (e) of the SEBI ICDR Regulations and Clause 9 (C) of Part A of Schedule VI 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).

The fund requirement and deployment is based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in the light of changes in Internal / external circumstances or costs or other financial conditions and other factors. In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required, subject to requisite approval and applicable rules and regulation for variation in utilization of proceeds. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

We further confirm that no part proceed of the Issue shall be utilized for repayment of any Part of unsecured loan outstanding as on date of Draft Red Herring Prospectus. As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company’s historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors 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 at the discretion of the Company’s management.

For further details on the risks involved in our business plans and executing our business strategies, please see the Section titled “Risk Factors” beginning on page no. 24 of this Draft Red Herring Prospectus.

- b. *Rational for rationale for increase in Working Capital Disclosure has been disclosed under the paragraph titled “Working Capital Requirements” on page 75 of Draft Red Herring Prospectus.*

Below is the revised text:

1. WORKING CAPITAL REQUIREMENTS:

Our Company is engaged in the business of Manufacturing of Phosphorus Derivatives. Presently our company manufactures Phosphorus Trichloride (PCL3), Phosphorus Oxychloride (POCL3), Phosphorus Pentachloride (PCL5), Phosphorus Pentoxide (P2O5), Poly Phosphoric Acid (H3PO4 + P2O5) and Phosphorus Pentasulfide (P2S5). We fund a majority of our working capital requirements in the ordinary course of business from our internal accruals, loan from Directors, financing from banks and financial institutions. As on March 31, 2022, Net Working Capital requirement of our Company on restated basis was ₹ 2,419.06 Lakhs as against that of ₹ 414.01 lakhs as on March 31, 2021 and ₹ 439.30 Lakhs as on March 31, 2020. The Net Working capital requirements for the FY 2022-23 is estimated to be ₹ 8,942.06 Lakhs. As on March 31, 2022, Net Working Capital requirement of our Company on restated basis was ₹ 2,419.06 Lakhs as against that of ₹ 414.01 lakhs as on March 31, 2021 and ₹ 439.30 Lakhs as on March 31, 2020. Working capital requirement for FY 2020-21 is almost in similar range as compared to FY 2019-20. Increase in working in working capital requirement for FY 2021-22 is mainly on account of increase in turnover of our company from ₹ 4,739.65 lakhs for FY 2020-21 to ₹ 14,320.26 Lakhs for FY 2021-22 (upto November 24, 2021 ₹ 8,558.80 and from November 25, 2021 to March 31, 2022 ₹ 5,761.46 Lakhs). Working capital cycle period of our company has remained almost same during FY 2021-22 as compared to previous financial years.

Management of company is expecting Turnover for FY 2022-2023 to be approximately ₹ 22,500 Lakhs. Further, payment cycle for the creditors during the previous financial years were liberal i.e. 4 months (approx.) due to COVID impact, the management estimates the same to be regular i.e. 2 months for FY 2022-2023. Apart creditors, company is also required to give credit period to its debtors as per industry standard and is required to maintain sufficient inventory level of Raw material and Finished Goods to achieve the projected turnover for FY 2022-23.

Due to above factors, company requires incremental working capital. For more information in this regard please refer to the assumptions for working capital requirement.

The Company will meet the requirement to the extent of ₹ 4500.00 Lakhs from the Net Proceeds of the Issue and balance from borrowings and internal accruals at an appropriate time as per the requirement.

9. BUSINESS OVERVIEW

Name of Mrs. Sangeeta Vipul Bhatt has been included as Promoter under paragraph titled “Our Competitive Strength” point 1 “Experienced Promoters and Management team” on page 111 of Draft Red Herring Prospectus.

Below is the revised text:

1. Experienced Promoters and Management Team:

Our management team is well experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance. Our Promoters Mr. Vipul Jatashanker Bhatt and Mrs. Sangeeta Vipul Bhatt leads the company with his vision. He has an experience of three decades in the Chemical Industries and look after the strategic as well as day-to-day business operations. The strength and entrepreneurial vision of our Promoters and management have been instrumental in driving our growth and implementing our strategies. We believe that a motivated and experienced employee base is essential for maintaining a competitive advantage. Our motivated team of management and key managerial personnel complement each other to enable us to deliver high levels of client satisfaction.

10. OUR MANAGEMENT

Designation of Mrs. Sangeeta Vipul Bhatt has been updated under paragraph titled “Brief Profile of our directors” on page 147 of Draft Red Herring Prospectus.

Below is the revised text:

Mrs. Sangeeta Vipul Bhatt

Mrs. Sangeeta Vipul Bhatt aged 50 years is Promoter - Whole Time Director of the Company. She was Designated Partner of Vital Chemtech Limited Liability Partnership since February 12, 2015 after that she was appointed as an Executive Director on Incorporation/Conversion of Vital Chemtech Limited Liability Partnership to Vital Chemtech Limited w.e.f. November 25, 2021. Thereafter he was appointed as Whole Time Director for a period of five (5) years w.e.f. February 15, 2022 liable to retire by rotation. She holds degree of Bachelor of Commerce from Osmania University, Hyderabad. She is having more than five years of experience in the Administration of our Company.

11. OUR PROMOTERS AND PROMOTER GROUP

- a. *Name of Mrs. Sangeeta Vipul Bhatt has been updated as Promoter in the introduction portion on page 156 of Draft Red Herring Prospectus.*


Below is the revised text:


Promoters of Our Company are Mr. Vipul Jatashanker Bhatt and Sangeeta Vipul Bhatt. For details of the Capital build-up of our Promoters in our Company, see chapter titled "Capital Structure" beginning on page no. 57 of this Draft Red Herring Prospectus.

- b. *Relevant details i.e. Brief Profile, Date of Birth, Age, PAN, Educational Qualification, Residential Address, Directorships held and other ventures of Mrs. Sangeeta Vipul Bhatt have been updated on page 156 of Draft Red Herring Prospectus.*

Below is the revised text:

The details of our Promoters are as follows:

	MR. VIPUL JATASHANKER BHATT Mr. Vipul Jatashanker Bhatt aged 50 years is Promoters-Chairman and Managing Director of the Company, He was Designated Partner of Vital Chemtech Limited Liability Partnership since February 12, 2015 after that he was appointed as an Executive Director on Incorporation/Conversion of Vital Chemtech Limited Liability Partnership to Vital Chemtech Limited w.e.f. November 25, 2021. Thereafter he was appointed as Managing Director for a period of five (5) years w.e.f. February 15, 2022 and he was appointed as Chairman w.e.f. June 28, 2022. He is having about 28 years of experience in the chemical manufacturing and trading industry.
Date of Birth	November 05, 1971
Age	50
PAN	ACWPB8066H
Educational Qualification	Diploma in Chemical Engineering from Government Engineering College, Bharuch
Present Residential Address	15, Sector-9, Kalhar Bungalows, Nandoli, Rancharda, Gandhinagar – 382115, Gujarat, India
Position/posts held in the past	-
Directorship held	1. Vital Alkoxides Private Limited 2. Vital Wellness Private Limited 3. Vital Synthesis Private Limited
Other Ventures	1. Vipul Jatashanker Bhatt HUF 2. Vital Chemicals - Proprietorship
	MRS. SANGEETA VIPUL BHATT

	Mrs. Sangeeta Vipul Bhatt aged 50 years is Promoter - Whole Time Director of the Company. She was Designated Partner of Vital Chemtech Limited Liability Partnership since February 12, 2015 after that she was appointed as an Executive Director on Incorporation/Conversion of Vital Chemtech Limited Liability Partnership to Vital Chemtech Limited w.e.f. November 25, 2021. Thereafter he was appointed as Whole Time Director for a period of five (5) years w.e.f. February 15, 2022 liable to retire by rotation. She holds degree of Bachelor of Commerce from Osmania University, Hyderabad. She is having more than five years of experience in the Administration of our Company
Date of Birth	September 6, 1971
Age	50
PAN	AATPB6285F
Educational Qualification	Bachelor of Commerce from Osmania University, Hyderabad
Present Residential Address	15, Sector-9, Kalhar Bungalows, Nandoli, Rancharda, Gandhinagar – 382115, Gujarat, India
Position/posts held in the past	-
Directorship held	1. Vital Alkoxides Private Limited 2. Vital Wellness Private Limited 3. Vital Synthesis Private Limited
Other Ventures	1. Shakti Enterprise

- c. *Names of relatives of Mrs. Sangeeta Vipul Bhatt has been updated under paragraph titled “Our Promoter’s Group” point a. titled “Natural Persons who are part of our Individual Promoter Group” on page 157 of Draft Red Herring Prospectus.*

Below is the revised text:

OUR PROMOTERS’ GROUP

In addition to our Promoters named above, the following individuals and entities form a part of the Promoters’ Group:

a. Natural persons who are part of our Individual Promoters Group:

Relationship Promoters	with	Vipul Jatashanker Bhatt	Sangeeta Vipul Bhatt
Father		Late Jatashanker Ambalal Bhatt	Harshadrai Pranlal Trivedi
Mother		Kumudben Jatashanker Bhatt	Ushaben Pranlal Trivedi
Spouse		Sangeeta Vipul Bhatt	Vipul Jatashanker Bhatt
Brother/s		Hitesh Jatashanker Bhatt	Kirti Harshadrai Trivedi
Sister/s		Chhaya Akshay Pandya	-
		Ketki Dilip Pandya	
Son/s		Jay Vipul Bhatt	Jay Vipul Bhatt
Daughter/s		Keyaa Vipul Bhatt	Keyaa Vipul Bhatt
Spouse’s Father		Harshadrai Pranlal Trivedi	Late Jatashanker Ambalal Bhatt
Spouse’s Mother		Ushaben Pranlal Trivedi	Kumudben Jatashanker Bhatt
Spouse’s Brother/s		Kirti Harshadrai Trivedi	Hitesh Jatashanker Bhatt
Spouse’s Sister/s		-	Chhaya Akshay Pandya
			Ketki Dilip Pandya

12. RESTATED FINANCIAL STATEMENTS

Table header for Annexure-B : Restated Statement of Profit and Loss on page F-8 is revised to For the period starting from November 25, 2022 to March 31, 2022, For period ended November 24, 2021, For the year ended March 31, 2021 and For the year ended March 31, 2020.

Below is the revised text:

Sr. No	Particulars	Note No.	For the period starting from November 25, 2022 to March 31, 2022	For the period ended November 24, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020
A.	Revenue:					
	Revenue from Operations	B.1	5,761.46	8,558.80	4,739.65	4,115.98
	Other income	B.2	25.51	45.47	28.81	45.26
	Total revenue		5,786.96	8,604.27	4,768.46	4,161.24
B.	Expenses:					
	Cost of Material Consumed	B.3	3,810.62	3,737.74	3,115.39	2,882.89
	Change in Inventories of WIP, Finished Goods & Stock in Trade	B.4	-33.61	-187.97	27.59	-28.25
	Employees Benefit Expenses	B.5	122.77	929.59	279.32	194.83
	Finance costs	B.6	38.31	82.24	110.33	139.30
	Depreciation and Amortization	B.7	57.57	78.71	91.88	88.97
	Other expenses	B.8	713.32	2,767.10	673.15	648.99
	Total Expenses		4,708.97	7,407.42	4,297.67	3,926.72
	Profit before exceptional and extraordinary items and tax		1,077.99	1,196.85	470.79	234.52
	Exceptional Items		0.00	0.00	0.00	0.00
	Profit before extraordinary items and tax		1,077.99	1,196.85	470.79	234.52
	Extraordinary items		0.00	0.00	0.00	0.00
	Profit before tax		1,077.99	1,196.85	470.79	234.52
	Tax expense :					
	Current tax		286.55	420.51	171.77	84.99
	Deferred Tax	B.9	120.50	-8.16	5.24	44.15
	Profit (Loss) for the period from continuing operations		670.94	784.50	293.78	105.38
	Earning per equity share in Rs.:					
	(1) Basic		5.99	7.00	2.62	0.94
	(2) Diluted		5.99	7.00	2.62	0.94

13. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

Justification for increase in turnover for FY 2022 is included under paragraph titled “Overview” on page 162 of Draft Red Herring Prospectus.

Below is the revised text:

Our Company was originally incorporated as a private limited company on November 11, 2013, as ‘Rudra Chemtech Private Limited’, under the provisions of the Companies Act, 1956. Subsequently, Our Company was converted to Limited Liability Partnership Firm as ‘Rudra Chemtech Limited Liability Partnership’ having duly passed the necessary resolution in terms of Rule 20(1) of the LLP Rules, 2009 on February 12, 2015, under the LLP Act, 2008. Thereafter, on February 20, 2015, name was changed to ‘Vital Chemtech Limited Liability Partnership’ pursuant to Rule 20(3) of the LLP Rules, 2009. Later on, our Limited Liability Partnership was converted to Public Limited Company under section 366 Part I chapter XXI of the

Companies Act, 2013 as ‘Vital Chemtech Limited’ and fresh Certificate of Incorporation dated November 25, 2021, was issued by Assistant Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U24299GJ2021PLC127538.

Our Company is engaged in the business of manufacturing of Phosphorus Derivatives Products. Our Company is manufacturer and supplier of Phosphorus base chemicals with highest quality practice and compliant with Highest Environmental, Health, and Safety (EHS) in chemical industry. The company has State of the Art Programmable Logic Controller (PLC) and Supervisory Control and Data Acquisition (SCADA) operated in integrated complex in PCPIR region of Dahej, Gujarat, India for manufacturing of phosphorus base chemicals. Manufacturing Facility of our company is having integrated manufacturing facility for manufacturing of phosphorus base chemical. Our manufacturing Facility located in Dahej, Gujarat, has been certified with ISO 9001:2015, ISO 45001:2018 and ISO 14001:2015 from Bureau Veritas to maintain highest quality, environmental and safety practices. Our plant is ZLD (Zero Liquid Discharge) to ensure minimum emissions and waste generation. The state of the art operation ensures organized unflow state of the art manufacturing and supply sustainability to our valued customers.

Presently our company manufactures Phosphorus Trichloride (PCl₃), Phosphorus Oxychloride (POCl₃), Phosphorus Pentachloride (PCl₅), Phosphorus Pentoxide (P₂O₅), Poly Phosphoric Acid (PPA) and Phosphorus Pentasulfide (P₂S₅) for our customers across segments such as Lifesciences, Crop Care, Specialty Chemicals, Textile Auxillaries, Dyes, Pigments and Plastic Additives. Our company also does trading of its raw Material. Our company is in the process of obtaining approval of Phosphorus Pentasulfide (P₂S₅) from our customers.

In the year 2022, Our Company achieved Annual Turnover of more than ₹ 100 Crores. The increase in the turnover in FY 2022 is due to addition of new product i.e. Poly Phosphoric Acid and increase in installed and utilised capacity of the existing products. Further, it was aided by increase in the prices of products manufactured by the company in the global markets. For details with regards to installed and utilised capacity, please refer paragraph titled ‘Capacity and Capacity Utilisation’ under the chapter titled “Business Overview” starting from page 96 of Draft Red Herring Prospectus.

14. **TERMS OF ISSUE**

a. *Reference of anchor investor portion has been added on page 198 of the Draft Red Herring Prospectus.*

Below is the revised text:

ISSUE PROGRAM

Events	Indicative Dates
Bid/Issue Opening Date ⁽¹⁾	[•]
Bid/Issue Closing Date	[•]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [•]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before [•]
Credit of Equity Shares to Demat accounts of Allottees	On or before [•]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [•]

(1) Our Company may, in consultation with the Book Running Lead Manager, 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

15. **ISSUE STRUCTURE**

a. *Reference of anchor investor portion has been added on page 201 of the Draft Red Herring Prospectus.*

Below is the revised text:

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	Up to [●] Equity Shares	Not more than [●] Equity Shares.	Not less than [●] Equity Shares	Not less than [●] Equity Shares
Percentage of issue size available for allocation	[●]% of the issue size	<p>Not more than 50% of the Net Issue being available for allocation to QIB Bidders.</p> <p>However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only.</p> <p>Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion.</p> <p>The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion</p>	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment ⁽³⁾	Firm Allotment	<p>Proportionate as follows: <u>(excluding Anchor Investor Portion)</u></p> <p>a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p><u>Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for</u></p>	Proportionate	Proportionate

Particulars of the Issue ⁽²⁾	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
		<u>allocation to Domestic Mutual Funds only, subject to valid bids received from Mutual Funds at or above the Anchor Investor Allocation Price.</u>		
Mode of Bid	Only through the ASBA process.	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			
Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity shares in multiple of [●] Equity shares that Bid size exceeds ₹ 2,00,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Trading Lot	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (<u>other than Anchor Investors</u>) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bid	Only through the ASBA process (<u>except for Anchor Investors</u>)			

b. Note with regards to anchor investor portion has been added on page 202 of the Draft Red Herring Prospectus.

Below is the revised text:

- 4) Our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2009, as amended. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Price.
- 5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as

indicated in the CAN. For further details please refer to the section titled “Issue Procedure” beginning on page 204 of the Draft Red Herring Prospectus;

- c. *Notes to Issue Programme has been updated with regards to anchor investor portion has been added on page 203 of the Draft Red Herring Prospectus.*

Below is the revised text:

Events	Indicative Dates
Bid/Issue Opening Date	[●]
Bid/Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or Before [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or Before [●]
Credit of Equity Shares to Demat accounts of Allottees	On or Before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or Before [●]

Note - Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

16. ISSUE PROCEDURE

The chapter has been updated to accommodate the changes consequent to anchor investors. Below are the significant changes.

- a. *Reference of anchor investor portion has been added on page 204 of the Draft Red Herring Prospectus.*

Below is the revised text:

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Offer is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Offer is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.

In the event of under-subscription, or nonallocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price.

Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company and Selling Shareholder in consultation with the BRLM, and the Designated Stock Exchange. However, under- subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

- b. *Reference of anchor investor has been added on page 206 of the Draft Red Herring Prospectus.*

Below is the revised text:

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) at least one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion can additionally Bid through the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form*
<u>Anchor Investor**</u>	<u>White</u>
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation basis	Blue

* *Electronic Bid Cum Application Forms will also be available for download on the website of the NSE (www.nseindia.com).*

** *Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.*

- c. *Bidding procedure for anchor investor has been added on page 212 of the Draft Red Herring Prospectus.*

Below is the revised text:

BIDS BY ANCHOR INVESTORS:

Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion.

In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below:

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 Lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.
- 5) Our Company and Selling Shareholder in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.

- where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.
 - 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
 - 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
 - 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
 - 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
 - 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
 - 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
 - 13) Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

d. Payment mechanism for anchor investor has been added on page 217 of the Draft Red Herring Prospectus.

Below is the revised text:

Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of: a. In case of resident Anchor Investors: — “Vital Chemtech Limited IPO – Anchor Account- R”
- b) In case of Non-Resident Anchor Investors: — “Vital Chemtech Limited IPO – Anchor Account- NR”
- c) Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

e. CAN has been updated to accommodate changes for anchor investor has been added on page 217 of the Draft Red Herring Prospectus.

Below is the revised text:

Price Discovery and Allocation

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Issue Price and the Anchor Investors Issue Price.
 - b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
 - c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
 - d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
 - e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
 - f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to Compliance with SEBI Regulations.
- f. Procedure for basis of allotment with effect of reservation for anchor investor has been added on page 224 to 226 of the Draft Red Herring Prospectus.*

Below is the revised text:

BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

a. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. For QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
 - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
 - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
 - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
 - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

d. Allotment To Anchor Investor (If Applicable)

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
- i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
 - ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
 - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.