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ACCENT MICROCELL LIMITED

Our Company was originally incorporated on April 10, 2012 as a private limited company as “Accent Microcell Private Limited” vide Registration No. 069799 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, pursuant to a special resolution passed by the Shareholders at their Extraordinary General Meeting held on December 05, 2022, our Company was converted from a private limited company to public limited company and consequently, the name of our Company was changed to “Accent Microcell Limited” and a Fresh Certificate of Incorporation consequent to Conversion was issued on December 23, 2022 by the Registrar of Companies, Ahmedabad. For details of changes in the name and registered office of our Company, please refer to the chapter titled “General Information” on page 39 of this Draft Letter of Offer.

Corporate Identity Number: L24230GJ2012PLC069799

Registered & Corporate Office: 314, Shangrilla Arcade, Shyamal Cross Roads, Anandnagar Road, Satellite, Ahmedabad, Gujarat, 380015;

Telephone: +91 – 7575803351; **Email:** cs@accentmicrocell.com; **Website:** www.accentmicrocell.com;

Contact Person: Mr. Ghanshyam Arjanbhai Patel, Managing Director and Chief Financial Officer

OUR PROMOTERS: MR. VASANT VADILAL PATEL, MR. GHANSHYAM ARJANBHAI PATEL, MR. NITIN JASVANTBHAI PATEL AND MR. VINODBHAI MANIBHAI PATEL
WE HEREBY CONFIRM THAT NEITHER OUR COMPANY NOR OUR PROMOTERS OR ANY OF OUR DIRECTORS ARE IDENTIFIED AS WILFUL DEFAULTER OR A FRAUDULENT BORROWER AS ON DATE OF THIS DRAFT LETTER OF OFFER FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF ACCENT MICROCELL LIMITED (THE “COMPANY” OR THE “ISSUER”) ONLY
ISSUE OF UP TO [●] ([●]) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [●] EACH PER RIGHTS EQUITY SHARE (“ISSUE PRICE”) FOR AN AGGREGATE AMOUNT UP TO ₹ 40.00 CRORES* ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] ([●]) RIGHTS EQUITY SHARE FOR EVERY [●] ([●]) FULLY PAID-UP EQUITY SHARE(S) HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] ([●]) (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [●] ([●]) TIME THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE REFER TO THE CHAPTER TITLED “TERMS OF THE ISSUE” ON PAGE 133 OF THIS DRAFT LETTER OF OFFER.
*Assuming full subscription
GENERAL RISKS
Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the offer including the risks involved. The Rights Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Letter of Offer. Specific attention of investors is invited to the statement of “Risk Factors” on page 23 of this Draft Letter of Offer.
OUR COMPANY’S ABSOLUTE RESPONSIBILITY
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.
LISTING
The existing Equity Shares are listed on Emerge Platform of National Stock Exchange of India Limited (“NSE” or “Stock Exchange”). Our Company has received ‘in-principle’ approvals from NSE for listing the Rights Equity Shares to be allotted pursuant to this Issue vide its letter dated [●]. Our Company will also make an application to the Stock Exchanges to obtain the trading approval for the Rights Entitlements as required under the SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/13) dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is NSE.

REGISTRAR TO THE ISSUE		
	KFIN TECHNOLOGIES LIMITED	
	Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana Tel No.: +91 40 6716 2222 Toll Free No.: 1800 309 4001 E-mail: aml.rights@kfintech.com Investor Grievances Email Id: einward.ris@kfintech.com Website: www.kfintech.com SEBI Registration No.: INR000000221 Contact Person: M Murali Krishna	
ISSUE PROGRAMME		
ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSSES ON**
[●]	[●]	[●]

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

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

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses certain definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalized terms used in this Draft Letter of Offer shall have the meaning as defined hereunder. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications thereto notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.

Provided that terms used in the sections/ chapters titled “Industry Overview”, “Offer Document Summary”, “Financial Information”, “Statement of Special Tax Benefits”, “Outstanding Litigation and Material Developments” and “Issue Information” on pages 56, 20, 102, 53, 118 and 133 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.

GENERAL TERMS

Term	Description
“our Company”, or “the Company” or “the Issuer” or “Accent”	Unless the context otherwise requires, refers to Accent Microcell Limited, a company incorporated under the Companies Act, 1956, bearing Corporate Identity Number L24230GJ2012PLC069799 and having registered office at 314, Shangrilla Arcade, Shyamal Cross Roads, Anandnagar Road, Satellite, Ahmedabad, Gujarat, 380015.
“we” or “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company.

COMPANY RELATED TERMS

Term	Description
Articles/ Articles of Association	The Articles of Association of our Company, as amended from time to time.
Auditors / Statutory Auditor/ Peer Review Auditor	The Statutory Auditors of our Company, being M/s T R Chadha & Co LLP, Chartered Accountants, having FRN 006711N / N500028.
Audit Committee	The committee of the Board of Directors constituted as our Company’s audit committee in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) and Section 177 of the Companies Act, 2013.
Board /Board of Directors	The Board of Directors of our company or a duly constituted committee thereof.
CFO	Ghanshyam Arjanbhai Patel, the Chief Financial Officer of our Company.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company
Corporate Social Responsibility Committee/ CSR Committee	The committee of the Board of directors constituted as our Company’s corporate social responsibility committee in accordance with Section 135 of the Companies Act, 2013.
Equity Shares	The Equity Shares of our Company of face value of ₹10/- each
Executive Directors	Executive Directors of our Company.
Independent Director	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act and Regulation 16(1)(b) of the SEBI LODR Regulations.
KMP/ Key Managerial Personnel	Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations.
Materiality Policy	Policy on determination of materiality of events adopted by our Company in accordance with Regulation 30 of the SEBI Listing Regulations.
Memorandum/ MOA/ Memorandum of Association	Memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	The committee of the Board of directors reconstituted as our Company’s Nomination and Remuneration Committee in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

Non-executive Directors	Non-executive Directors of our Company.
Promoter(s)	Mr. Vasant Vadilal Patel, Mr. Ghanshyam Arjanbhai Patel, Mr. Nitin Jasvantbhai Patel and Mr. Vinodbhai Manibhai Patel.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations
Registered Office/ Registered Office of the Company	The Registered Office of our Company located at 314, Shangrilla Arcade, Shyamal Cross Roads, Anandnagar Road, Satellite, Ahmedabad, Gujarat, 380015
Registrar of Companies /ROC	Registrar of Companies, Ahmedabad
Restated Financial Statements / Restated Financial Information	Restated Financial Information of our Company, which comprises of the Restated Financial Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statements of Profit and Loss and the Restated Statement of Cash flows for the period ended September 30, 2024 and years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the Summary of Significant Accounting Policies and other explanatory information prepared in terms of the requirements of (i) Section 26 of Part 1 of Chapter III of the Companies Act, 2013; (ii) the SEBI ICDR Regulations; and (iii) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time. For details, see “ <i>Financial Information</i> ” on page 102 of this Draft Letter of Offer.
Rights Issue Committee	The committee of our Board constituted for purposes of the Issue and incidental matters thereof.
Senior Management	Senior management of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see “ <i>Our Management</i> ” on page 89 of this Draft Letter of Offer.
Shareholders / Equity Shareholder	The equity shareholders of our Company, from time to time
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted as our Company’s Stakeholders’ Relationship Committee in accordance with Regulation 20 of the SEBI Listing Regulations.

ISSUE RELATED TERMS

Term	Description
Abridged Letter of Offer / ALOF	The abridged letter of offer to be sent to the Eligible Equity Shareholders of our Company with respect to this Issue in accordance with the SEBI ICDR Regulations and the Companies Act.
Additional Rights Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allot/Allotted/Allotment/Allotment of Equity Shares	Unless the context otherwise requires, the allotment of Rights Equity Shares pursuant to the Issue.
Allotment Accounts	The accounts opened with the Bankers to this Issue, into which the Application Money lying credit to the Escrow Account and amounts blocked by Application Supported by Blocked Amount in the ASBA Account, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act.
Allotment Account Bank	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, [●].
Allotment Advice	Note, advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue.
Allotment Date	Date on which the Allotment is made pursuant to this Issue.
Allottee(s)	Persons to whom the Rights Equity Shares are Allotted pursuant to the Issue.
Applicant(s) /Investor(s)	Eligible Equity Shareholder(s) and/or Renounees who are entitled to make an application for the Equity Shares in terms of this Draft Letter of Offer.
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/electronic application through the website of the SCSBs (if made available by such

	SCSBs) under the ASBA process to subscribe to the Equity Shares at the Issue Price.
Application Form	Application made through submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process to subscribe to the Equity Shares at the Issue Price.
Application Money	The number of Equity Shares applied for and as indicated in the Application Form multiplied by Issue Price per Equity Share payable by the Applicants on submission of the Application Form.
Application Supported by Blocked Amount / ASBA	Application (whether physical or electronic) used by ASBA Applicants to make an Application authorizing the SCSB to block the Application Money in the ASBA Account
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
ASBA Applicant / ASBA Investor	As per the SEBI Master Circular, all investors (including renouncee) shall make an application for a rights issue only through ASBA facility.
ASBA Bid	A Bid made by an ASBA Bidder including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 and The SEBI Circular SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022
Banker to the Issue	Collectively, Escrow Collection Bank, Allotment Account Bank and the Refund Bank, in this case being [●]
Banker to the Issue Agreement	Agreement to be entered into by and among our Company, the Registrar to the Issue, and the Banker to the Issue for collection of the Application Money from Applicants/Investors, transfer of funds to the Allotment Account from the Escrow Account and SCSBs, release of funds from Allotment Account to our Company and other persons and where applicable, refunds of the amounts collected from Applicants/ Investors and providing such other facilities and services as specified in the agreement.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in consultation with the Designated Stock Exchange in this Issue, as described in “ <i>Terms of the Issue</i> ” on page 133 of this Draft Letter of Offer.
Consolidated Certificate	The certificate that would be issued for Rights Equity Shares Allotted to each folio in case of Eligible Equity Shareholders who hold Equity Shares in physical form
Controlling Branches / Controlling Branch of SCSB	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depositories	NSDL and CDSL registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper Application, as the case may be, from the ASBA Investors and a list of which is available http://www.sebi.gov.in
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms submitted by ASBA Bidders, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , updated from time to time, or at such other website as may be prescribed by SEBI from time to time.

Designated Stock Exchange	National Stock Exchange of India Limited
DP	Depository Participant
DP ID	Depository Participant's Identity number
Draft Letter of Offer	The Draft Letter of Offer dated December 24, 2024 to be filed with the Stock Exchange for its observations and in-principle listing approval.
Eligible Equity Shareholder(s)	Existing Equity Shareholders as on the Record Date. Please note that the investors eligible to participate in the Issue exclude certain overseas shareholders. For further details, see "Notice to Investors" on page 13.
Escrow Account/ Rights Issue Account	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank for the purposes of collecting the Application Money from resident Investors.
Escrow Collection Bank	Bank(s) which are clearing members and registered with SEBI as banker to an issue and with whom the Escrow Account will be opened, in this case being, [●].
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018
IEPF	Investor Education and Protection Fund
ISIN	International Securities identification number
Issue / Rights Issue	Issue of up to [●] Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share) aggregating up to ₹ 4,000 lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held by the Eligible Equity Shareholders of our Company on the Record Date i.e. [●].
Issue Closing Date	[●]
Issue Material	Collectively, the Abridged Letter of Offer, the Common Application Form and Rights Entitlement Letter, and any other material relating to the Issue.
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	The price at which Equity Shares will be Issued and allotted by our Company being ₹ [●]/- (Rupees [●] Only) per Equity Share.
Issue Proceeds	The gross proceeds raised through the Issue.
Issue Size	The issue of up to [●] ([●] Only) Rights Equity Shares aggregating to an amount up to ₹ 40.00 Crores.
Letter of Offer / LOF	This letter of offer dated [●] filed with the Stock Exchange and SEBI for record purpose.
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However, supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application
Net Proceeds	Issue Proceeds less the Issue-related expenses. For details, see "Objects of the Issue" on page 47 of this Draft Letter of Offer.
Non-Institutional Investors / Non-Institutional Bidders /NIIs	An Investor other than a Retail Individual Investor or Qualified Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI ICDR Regulations.
NSE	National Stock Exchange of India Limited / Emerge Platform of National Stock Exchange of India Limited
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI – Rights Issue Circulars, circulars issued by the Stock Exchanges from time to time and other applicable laws, on or before [●].

Off Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI – Rights Issue Circulars, circulars issued by the Depositories from time to time and other applicable laws.
Other/ Non Retail Investors	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Shareholders eligible to apply for the Rights Equity Shares in the Issue, being [●].
Refund Bank	The Bankers to the Issue with whom the refund account will be opened, in this case being [●]
Registrar/ Registrar to the Issue/RTI	Kfin Technologies Limited
Registrar Agreement	Agreement dated November 21, 2024 entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation either through On Market Renunciation or through Off Market Renunciation in accordance with the SEBI ICDR Regulations, the SEBI– Rights Issue Circular, the Companies Act and any other applicable law.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●], in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through Off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.
Retail Individual Bidders(s) / Retail Individual Investor(s) / RII(s) / RIB(s)	An individual Investor who has applied for Rights Equity Shares for an amount not more than ₹ 2,00,000 (including an HUF applying through karta) in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
Rights Entitlements/ Res	The number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, being [●] Rights Equity Shares for [●] Equity Shares held on [●], [●]. The Rights Entitlements with a separate ISIN: [●] will be credited to your demat account before the date of opening of the Issue, against the equity shares held by the Equity Shareholders as on the record date.
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders.
Rights Equity Shares / Rights Shares	Equity Shares of our Company to be Allotted pursuant to the Issue.
Revision Form	The form used by the Applicants to modify the quantity of www.kfintech.com Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable.
SEBI Master Circular	Master circular dated November 11, 2024 issued by the Securities and Exchange Board of India in order to enable the stakeholders to have access to all circulars/directions issued under the relevant provisions of the SEBI ICDR Regulations, 2018 at one place.
SEBI Relaxation Circulars	SEBI Circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2021/633 dated October 01, 2021.

SEBI– Rights Issue Circular	Collectively, SEBI Circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, SEBI Circular bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 and the SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular(s) issued by SEBI in this regard.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI ICDR Regulations/ SEBI (ICDR) Regulations/ SEBI (ICDR) Regulations, 2018	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time
SEBI LODR Regulations / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
Self Certified Syndicate Bank or SCSB	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time
Stock Exchange	Stock Exchange where the Equity Shares are presently listed, being Emerge Platform of National Stock Exchange of India Limited
Transfer Date	The date on which the Application Money held in the Escrow Account and the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	All days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai and Delhi are open for business; provided however, with reference to Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai and Ahmedabad are open for business; and with reference to the time period between the Issue Closing Date and the listing of the Rights Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays.

Business and Industry related Terms or Abbreviations

Term	Description
BP	British Pharmacopoeia
CCS	Croscarmellose Sodium
CCP	Critical Control Point
DM Water	Demineralized Water
DM Plant	Demineralized Plant
ETP	Effluent Treatment Plant

EP	European Pharmacopoeia
FCC	Food Chemicals Codex
FDA	Food and Drug Administration
FSSC-22000	Food Safety System Certification-22000
FSSAI	Food Safety and Standards Authority of India
GMP	Good Manufacturing Practices
HCL	Hydrogen Chloride
HALAL	HALAL in Arabic means “permissible”.
USP/NF	United States Pharmacopeia/National Formulary
OPRP	Operational Pre-requisite Programme
JP	Japanese Pharmacopoeia
KOSHER	Kosher certification indicates that your products comply with Jewish dietary laws
MCC	Microcrystalline Cellulose
MCC Spheres	Microcrystalline Cellulose Spheres
Mg. St. / MS	Magnesium Stearate
PC	Powdered Cellulose
SMCC	Silicified Microcrystalline Cellulose
US- DMF	United States Drug Master File

CONVENTIONAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account
AIF/Alternative Investment Funds	Alternative Investment Funds as defined and registered under the SEBI AIF Regulations
AGM	Annual General Meeting
AMC	Annual Maintenance Contract
ASBA	Application Supported by Blocked Amount
A.Y.	Assessment Year
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
BV / NAV	Book value / Net Asset Value
CAGR	Compounded Annual Growth Rate.
CARO	Companies (Auditor’s Report) Order, 2020
CDSL	Central Depository Services (India) Ltd.
CIN	Corporate Identity Number
Client ID	Client identification number of the Bidder’s beneficiary account
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder
Depository	A body corporate registered under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time i.e. NSDL and CDSL.
Depositories Act	Depositories Act, 1996, as amended from time to time
Depository Participant /DP	A depository participant as defined under the Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant’s identification number
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
ESOP	Employees Stock Option Plan
FCNR Account	Foreign Currency Non Resident Account.
FCRA	Foreign Contribution (Regulation) Act, 2010
FDI	Foreign Direct Investment

FDI Policy 2017/FDI Policy	Consolidated FDI Policy dated October 15, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the rules and regulations framed thereunder.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FII	Foreign Institutional Investors as defined under the SEBI FPI Regulations
FIPB	Foreign Investment Promotion Board.
Financial Year /fiscal year/FY/ fiscal	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investor
Government/ GOI	The Government of India.
GAAP	Generally Accepted Accounting Principles
GAAR	General Anti Avoidance Rules
GIGW	Guidelines For Indian Government Websites
GST	Goods and Service Tax
HUF	Hindu Undivided Family
IAAS	Infrastructure As A Service
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act 2013 and referred to in the Ind AS Rules
Ind AS 24	Indian Accounting Standard 24 on Related Party Disclosure issued by the MCA
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016, as amended
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR or Rupee or Rs.	Indian Rupee, the official currency of the Republic of India
IPO	Initial Public Issue
IRDA	Insurance Regulatory and Development Authority.
IT Act/ I. T. Act	Income-Tax Act, 1961
KYC	Know Your Customer
MAT	Minimum Alternate Tax
MCA	The Ministry of Corporate Affairs, Government of India
MICR	Magnetic Ink Character Recognition (nine digit code as appearing on a cheque leaf)
Mn, mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the SEBI (Mutual Funds) Regulations, 1996
N.A. / NA	Not Applicable
NAV	Net asset value.
NBFC	Non-banking Financial Company
NBFC – ND – SI	Systemically Important Non-Deposit Taking NBFC
NBFC – SI	Systemically important non-banking financial company, as covered under Regulation 2(1)(ss)(xiii) of the SEBI ICDR Regulations
NCR	National Capital Region
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NR/Non-Resident	A person resident outside India, as defined under the FEMA and includes a Non Resident Indian
NRE Account	Non-Resident External Account.
NRI/Non-Resident Indian	A non-resident Indian as defined under the FEMA Regulations
NRO Account	Non-Resident Ordinary Account.
NSDL	National Securities Depository Limited

OCB/ Overseas Corporate Body	A company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty percent by NRIs and includes an overseas trust in which not less than 60% beneficial interest is held by NRIs directly or indirectly but irrevocably and which was in existence on the date of commencement of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs) Regulations, 2003 and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the relevant regulations issued under FEMA
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio.
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India.
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RONW	Return on Networth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self Certified Syndicate Bank
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time.
Securities Act	United States Securities Act of 1933, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended.
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
STT	Securities Transaction Tax
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, since repealed and replaced by the SEBI (AIF) Regulations
Trademarks Act	Trademarks Act, 1999, as amended
TDS	Tax Deducted at Source
UK	United Kingdom
U.S./U.S.A.	United States of America
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be
Wef / w.e.f.	With effect from
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations

NOTICE TO INVESTORS

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material (collectively, the “**Issue Materials**”) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlement and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them, subject to compliance with relevant SEBI circulars/ notices giving/ extending relaxation in dispatch of physical issue material to those eligible equity shareholders who have not provided a valid email address to the Company. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials. Further, the Letter of Offer will be provided through e-mail by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company and the Stock Exchange, subject to the applicable law.

Our Company shall also endeavour to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our Company, subject to compliance with relevant SEBI circulars/ notices giving/ extending relaxation in dispatch of physical issue material to those eligible equity shareholders who have not provided a valid email address to the Company. Our Company, and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except in India. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, or other Issue Materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer or any other Issue Materials (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer (“**Restricted Jurisdictions**”) and, in those circumstances, the Letter of Offer or any other Issue Materials must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, or any other Issue Materials should not distribute such document(s) to any person outside India where to do so would or might contravene local securities laws or regulations. If this Draft Letter of Offer, the Letter of Offer, or any other Issue Materials is received by any person in any Restricted Jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares. Rights Entitlements may not be transferred or sold to any person outside India.

Envelopes containing an Application Form should not be postmarked or otherwise dispatched from any Restricted Jurisdiction, and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of these Rights Equity Shares in India.

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

THE CONTENTS OF THIS DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS BUSINESS, LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT

MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

Our Company reserves the right to treat any Application Form as invalid which: (i) does not include the certifications set out in the Application Form; (ii) appears to us or our agents to have been executed in or dispatched from a Restricted Jurisdiction; (iii) where a registered Indian address is not provided; or (iv) where our Company believes that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.

The Rights Entitlements and the Rights Equity Shares have not been approved, disapproved or recommended by the United States Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authority of any other jurisdiction or any other regulatory authority in any jurisdiction. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

Notice to Investors in the United States

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state of the United States of America and may not be offered or sold in the United States of America, its territories and possessions, any State of the United States, and the District of Columbia (“**United States**”), except in a transaction not subject to, or exempt from, the registration requirements of the Securities Act and applicable state securities laws. The Rights Entitlements and Rights Equity Shares are being offered and sold only (a) to persons in the United States who are reasonably believed to be qualified institutional buyers as defined in Rule 144A under the Securities Act (“**U.S. QIBs**”) pursuant to Section 4(a)(2) of the Securities Act and (b) to persons outside the United States in reliance on Regulation S under the Securities Act (“**Regulation S**”). In addition, until the expiry of 40 days after the commencement of the Issue, an offer or sale of Rights Entitlements or Rights Equity Shares in the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act.

The Exchange Information and this Draft Letter of Offer have been prepared in accordance with content, format and style that is either prescribed by SEBI, the Stock Exchanges or under Indian laws, which differs from the content, format and style customary for similar offerings in the United States. In particular, (i) our Company’s financial information contained in the Exchange Information and this Draft Letter of Offer have been prepared in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements and not in a manner suitable for an offering registered with the United States Securities Commission and (ii) this Draft Letter of Offer does not include all of the information that would be required if our Company were registering the offer and sale of the Rights Entitlements and the Rights Equity Shares under the Securities Act.

The above information is given for the benefit of the Applicants / Investors. Our Company are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

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

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a Public Limited (Listed) Company under the laws of India and all the Directors and all Executive Officers are residents of India. It may not be possible or may be difficult for investors to affect service of process upon the Company or these other persons outside India or to enforce against them in courts in India, judgments obtained in courts outside India. India is not a party to any international treaty in relation to the automatic recognition or enforcement of foreign judgments.

However, recognition and enforcement of foreign judgments is provided for under Sections 13, 14 and 44A of the Code of Civil Procedure, 1908, as amended (“**Civil Procedure Code**”). Section 44A of the Civil Procedure Code provides that where a certified copy of a decree of any superior court (within the meaning of that section) in any country or territory outside India which the Government of India has by notification declared to be a reciprocating territory, is filed before a district court in India, such decree may be executed in India as if the decree has been rendered by a district court in India. Section 44A of the Civil Procedure Code is applicable only to monetary decrees or judgments not being in the nature of amounts payable in respect of taxes or other charges of a similar nature or in respect of fines or other penalties. Section 44A of the Civil Procedure Code does not apply to arbitration awards even if such awards are enforceable as a decree or judgment. Among others, the United Kingdom, Singapore, Hong Kong and the United Arab Emirates have been declared by the Government of India to be reciprocating territories within the meaning of Section 44A of the Civil Procedure Code.

The United States has not been declared by the Government of India to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code. Under Section 14 of the Civil Procedure Code, an Indian court shall, on production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction unless the contrary appears on the record; but such presumption may be displaced by proving want of jurisdiction.

A judgment of a court in any non-reciprocating territory, such as the United States, may be enforced in India only by a suit upon the judgment subject to Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Procedure Code, which is the statutory basis for the recognition of foreign judgments (other than arbitration awards), states that a foreign judgment shall be conclusive as to any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except where:

- The judgment has not been pronounced by a court of competent jurisdiction;
- The judgment has not been given on the merits of the case;
- The judgment appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognize the law of India in cases where such law is applicable;
- The proceedings in which the judgment was obtained are opposed to natural justice;
- The judgment has been obtained by fraud; and/or
- The judgment sustains a claim founded on a breach of any law in force in India.

A suit to enforce a foreign judgment must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. In addition, it is unlikely that an Indian court would enforce foreign judgments if it considered the amount of damages awarded as excessive or inconsistent with public policy or if the judgments are in breach of or contrary to Indian law. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the Reserve Bank of India to repatriate any amount recovered pursuant to execution of such judgment. Any judgment in a foreign currency would be converted into Rupees on the date of such judgment and not on the date of payment and any such amount may be subject to income tax in accordance with applicable laws. The Company cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Certain Conventions

All references to “India” contained in this Draft Letter of Offer are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

A reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

Financial Data

Unless stated otherwise or the context otherwise requires, the financial data in this Draft Letter of Offer is derived from the (a) Restated Financial Information of our Company, which comprises of the Restated Financial Statement of Assets and Liabilities for the period ended on September 30, 2024 and as at March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statements of Profit and Loss, and the Restated Statement of Cash flows for the period ended on September 30, 2024 and years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the Summary of Significant Accounting Policies and other explanatory information prepared in terms of the requirements of (i) Section 26 of Part 1 of Chapter III of the Companies Act, 2013; (ii) the SEBI ICDR Regulations; and (iii) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time; prepared in accordance with the recognition and measurement principles laid down under the Companies Act, 2013, and other accounting principles generally accepted in India. For further information, see “*Financial Information*” beginning on page 105 of this Draft Letter of Offer.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off and unless otherwise specified all financial numbers in parenthesis represent negative figures. Our Company has presented all numerical information in this Draft Letter of Offer in “lakh” units or in whole numbers where the numbers have been too small to represent in lakh. One lakh represents 1,00,000 and one million represents 1,000,000.

There are significant differences between Ind AS, Ind GAAP, US GAAP and IFRS. We have not provided a reconciliation of the financial information to Ind AS, IFRS or US GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer, and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind GAAP the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, see “*Financial Information*” on page 102 of this Draft Letter of Offer.

Certain figures contained in this Draft Letter of Offer, including financial information, have been subject to rounded off adjustments. All figures in decimals (including percentages) have been rounded off to one or two decimals. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Draft Letter of Offer rounded-off to such number of decimal points as provided in such respective sources. In this Draft Letter of Offer, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India;
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America; and
- “Euro” or “€” are to Euros, the official currency of the European Union.

Our Company has presented certain numerical information in this Draft Letter of Offer in “lakh” or “Lac” units. One lakh represents 1,00,000 and one million represents 1,000,000. All the numbers in the document have been presented in lakh or in whole numbers where the numbers have been too small to present in lakh. Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Conditions and Results of Operation*” and elsewhere in this Draft Letter of Offer, unless otherwise indicated, have been calculated based on our Restated Financial Information.

Exchange Rates

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

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	As on September 30, 2024 (₹)	As on March 31, 2024 (₹)	As on March 31, 2023 (₹)	As on March 31, 2022 (₹)
1 USD	83.79	83.37	82.22	75.81

(Source: RBI reference rate)

Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured.

Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us, or any of our affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 23 of this Draft Letter of Offer. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

FORWARD LOOKING STATEMENTS

This Draft Letter of Offer contains certain “forward-looking statements”. Forward looking statements appear throughout this Draft Letter of Offer, including, without limitation, under the chapters titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and “*Industry Overview*”. Forward-looking statements include statements concerning our Company’s plans, objectives, goals, strategies, future events, future revenues or financial performance, capital expenditures, financing needs, plans or intentions relating to acquisitions, our Company’s competitive strengths and weaknesses, our Company’s business strategy and the trends our Company anticipates in the industries and the political and legal environment, and geographical locations, in which our Company operates, and other information that is not historical information. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “likely”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek to”, “will”, “will continue”, “will pursue”, “forecast”, “target”, or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, the competition in our industry and markets, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes, incidence of natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Our Company is party to the case “Aryavart Foundation V/S Hemani industries Ltd. & Ors” for non-compliance of environmental laws.
- There may be potential conflict of interests between Our Company and our Group Entities.
- We rely on a limited number of suppliers for sourcing our raw materials. Furthermore, we have not entered into any long term agreement or contract of supply of raw materials and consequently are exposed to price and supply fluctuations for our raw materials.
- We derive a significant portion of our revenue from the sale of certain products and any reduction in demand for these products could have an adverse effect on our business, results of operations and financial condition.
- Our Major Exports are to Brazil, United Kingdom, United States, Russia, Republic of Korea, Turkey, Germany, Bangladesh, Egypt, Netherland, Indonesia.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 23, 69 and 105 respectively, of this Draft Letter of Offer. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect the current views of our Company as of the date of this Draft Letter of Offer and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, our Promoters, the Syndicate Member(s) nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permissions from the Stock Exchange.

SECTION II - OFFER DOCUMENT SUMMARY

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including the Sections titled “*Risk Factors*”, “*The Issue*”; and Chapters titled “*Capital Structure*”, “*Objects of the Issue*”, “*Industry Overview*”, “*Our Business*”, “*Outstanding Litigation and Material Developments*” on pages 38, 44, 47, 56, 69 and 118 respectively of this Draft Letter of Offer.

Our Company was originally incorporated on April 10, 2012 as a Private Limited Company as “*Accent Microcell Private Limited*” vide Registration No. 069799 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Dadar and Nagar Havelli. Pursuant to a special resolution passed by the shareholders at their Extra Ordinary General Meeting held on December 05, 2022, our company was converted from a Private Limited Company to Public Limited Company. Consequently, the name of our Company was changed to ‘Accent Microcell Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on December 23, 2022 by the Registrar of Companies, Ahmedabad.

The Corporate Identification Number of our Company is L24230GJ2012PLC069799.

1. SUMMARY OF INDUSTRY

Global Pharmaceuticals Industry

Pharmaceuticals Market size was valued at USD 209.85 billion in 2019 and is poised to grow from USD 222.4 billion in 2023 to USD 352.98 billion by 2031, growing at a CAGR of 5.9% in the forecast period (2024-2031). With about 46% of the market share, North America was the largest market for pharmaceuticals in the global pharmaceuticals market in 2021. The Asia Pacific was the second largest region making up more than 26% of the global pharmaceuticals market. Although the need for medicines is much greater in Africa, it holds the smallest market share in the global pharmaceuticals market.

(Source: <https://www.skyquestt.com/report/pharmaceuticals-market>)

Indian Pharmaceuticals Market

India is the largest provider of generic drugs globally and is known for its affordable vaccines and generic medications. The Indian Pharmaceutical industry is currently ranked third in pharmaceutical production by volume after evolving over time into a thriving industry growing at a CAGR of 9.43% since the past nine years. Generic drugs, over-the-counter medications, bulk drugs, vaccines, contract research & manufacturing, biosimilars, and biologics are some of the major segments of the Indian pharma industry. India has highest number of pharmaceutical manufacturing facilities that comply with the US Food and Drug Administration (USFDA) and has 500 API producers that make for around 8% of the worldwide API market.

Market size of India pharmaceuticals industry is expected to reach US\$ 65 billion by 2024, ~US\$ 130 billion by 2030 and US\$ 450 billion market by 2047. According to the government data, the Indian pharmaceutical industry is worth approximately US\$ 50 billion with over US\$ 25 billion of the value coming from exports. About 20% of the global exports in generic drugs are met by India.

Indian hospital market valued at US\$ 98.98 billion in FY23 and projected to grow by 8% CAGR and reached to US\$ 193.59 billion by FY32.

(Source: <https://www.ibef.org/industry/pharmaceutical-india>)

For detailed information on the industry please refer to “*Our Industry*” beginning on page 56 of this Draft Letter of Offer.

SUMMARY OF BUSINESS

Our company was incorporated on April 10, 2012, with the primary focus on manufacturing of the high-quality cellulose-based excipients which predominantly find application in the Pharmaceutical, Nutraceutical, Food, Cosmetic and other industries. Our company manufacture cellulose-based excipients as follows:

- Microcrystalline Cellulose (MCC) – Spray Dried/Bulk Dried (Spine Flash Dried)
- Microcrystalline Cellulose Spheres (MCC Spheres)
- Silicified Microcrystalline Cellulose (SMCC)
- Powdered Cellulose (PC)

- Croscarmellose Sodium (CCS)
- Magnesium Stearate (Mg. St.)
- Microcrystalline Cellulose with Carboxy Methyl Cellulose (Co-Processed)

Presently, we majorly manufacture Microcrystalline Cellulose (“MCC”). MCC is an odourless, fine white powder & a purified form of cellulose, which is derived from refinement of highly purified wood pulp. It is widely used as texturizer, anticaking agent, binder, lubricant, a bulking agent, diluent which finds a wide range of applications in Pharmaceutical, Nutraceutical, Food, Cosmetic and other industries. We manufacture 22 grades of MCC, with particle sizes ranging from 20 microns to 180 microns. The major grades of MCC manufactured and marketed by our Company are branded under the name “ACCEL”. Besides “ACCEL” we also sell our products under the name “ACROCELL”, “MACCEL” and “VINCEL”.

During the production process, the various grades of MCC are distinguished using different drying techniques used by our Company. We manufacture products by two drying techniques which are branded under different brand names. In our company MCC, MCC Spheres, SMCC, MCC with CMC are manufactured with spray dried product which are branded as “accel” and They are known for its premium quality due to its physical properties such as direct compression, particle size, density, flow, tableting properties etc. On the other hand MCC, SMCC are manufactured with spin flash dried which are branded as “VINCEL”.

Accent have established a manufacturing infrastructure, supported by an efficient supply chain that caters to the needs of our Indian and global clientele. With two manufacturing facilities located in Pirana (Unit -I) and Dahej SEZ (Unit -II). Unit I i.e. Pirana manufacture product mainly caters to the domestic market which manufacture MCC, SMCC, PC, MCC with CMC. Unit II i.e. Dahej SEZ is purely engaged in the manufacture of MCC, MCC sphere, SMCC, MCC with CMC which is exported to overseas customers and distributors.

With over 10 years of continuous growth, two state of the art manufacturing facilities and consistent focus on delivering premium quality product, Our Company is one of the Global leading manufacturers of Microcrystalline Cellulose (MCC).

For details, see “Our Business” on page 69 of this Draft Letter of Offer.

NAME OF THE PROMOTERS

As on date of this Draft Letter of Offer, Our Company is Promoted by Mr. Vasant Vadilal Patel, Mr. Ghanshyam Arjanbhai Patel, Mr. Nitin Jasvantbhai Patel and Mr. Vinodbhai Manibhai Patel.

OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

Particulars	Amount in ₹ Lakh
To Set up plant for manufacturing of Microcrystalline Cellulose	3232.71
General Corporate Purposes*	[●]
Net Proceeds from the Issue**	[●]

* The amount utilized for General Corporate Purposes shall not exceed 25% of the Gross Proceeds.

** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

For further details, please see chapter titled “Objects of the Issue” beginning on page 47 of this Draft Letter of Offer.

SUMMARY OF RESTATED FINANCIAL INFORMATION

(Amount in ₹ Lakh)

Sr. No.	Particulars	For period ended on September 30, 2024	Financial Year		
			2023-24	2022-23	2021-22
1.	Share Capital	2,104.30	2,104.30	1,294.30	1,290.30
2.	Net Worth	17,819.66	16,383.41	4,419.91	3,209.32
3.	Revenue from operations	12,901.00	26,445.90	20,696.75	16,753.97
4.	Profit After Tax	1,646.68	3,639.65	1301.02	589.31
5.	Earnings Per Share	7.83	22.53	10.06	4.57

6.	Net Asset Value per Equity Share	84.68	101.41	34.19	24.87
7.	Total Borrowings	205.63	1,279.09	2,278.23	2,409.53
	Long Term	113.63	149.81	547.41	693.18
	Short Term	92.00	1,129.28	1,730.82	1,716.35

SUMMARY OF OUTSTANDING LITIGATION

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

Name	By/Against	Civil Proceedings	Criminal Proceedings	Tax Proceedings	Actions by regulatory authorities	Other Pending Litigations	Amount Involved (in lakhs)
Company	By	-	-	-	-	-	-
	Against	-	-	-	-	1	411.60
Promoter	By	1	-	-	-	-	Not Quantifiable
	Against	-	-	2	-	-	36.13
Directors other than promoters	By	-	-	-	-	-	-
	Against	-	-	-	-	-	-

For further details of the outstanding litigation proceedings, see “*Outstanding Litigations and Material Developments*” on page 118 of this Draft Letter of Offer.

RISK FACTORS

Please see “**Risk Factors**” on page 23 of this Draft Letter of Offer.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

For details, see “**Financial Information – Annexure – 29.1 (Restated Statement of Contingent Liabilities)**” on page RFS 38 of this Draft Letter of Offer.

SUMMARY OF RELATED PARTY TRANSACTIONS

For details of the related party transactions and as reported in the Restated Financial Statements, see “**Financial Information – Annexure 26 (Restated Statement of Related Party Disclosure)**” starting on page RFS 31 of this Draft Letter of Offer.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE ONE YEAR PRECEDING THE DATE OF THIS DRAFT LETTER OF OFFER

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Letter of Offer.

SPLIT/ CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Letter of Offer.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA

Our Company has not been granted any exemption from complying with any provisions of securities laws by the Securities and Exchange Board of India.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information disclosed in this Draft Letter of Offer, including the risks and uncertainties described below and the “Financial Information” on page 102 of this Draft Letter of Offer, before making an investment in the Equity Shares. The risks described below are not the only risks relevant to us or the Equity Shares or the industries in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, cash flows, prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 69, 56 and 105 of this Draft Letter of Offer, respectively, as well as the other financial information included in this Draft Letter of Offer. If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business, cash flows, prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below.

However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in this Issue. The following factors have been considered for determining the materiality: (1) some events may not be material individually but may be found material collectively; (2) some events may have material impact qualitatively instead of quantitatively; and (3) some events may not be material at present but may have material impact in future.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries. For further information, see “Forward Looking Statements” on page 18 of this Draft Letter of Offer.

Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Restated Financial Statements included in this Draft Letter of Offer. For further information, see “Financial Information” on page 102 of this Draft Letter of Offer. In this section, unless the context otherwise requires, a reference to “our Company”, “we”, “us” or “our” is a reference to Accent Microcell Limited on a standalone basis.

INTERNAL RISK FACTORS

1. Our Company is party to the case “Aryavart Foundation V/S Hemani industries Ltd. & Ors” for non-compliance of environmental laws.

Our Company involved in the case of Aryavart Foundation v/s Hemani Industries Ltd.& Ors OA no. 60/2021 West Zone, Pune Bench. The case was registered on 7th August 2022 and was first listed on 6th July 2022. The case is in relation with wastewater management by the industries and Gujarat Infrastructure Development Corporation (GIDC) in the Dahej industrial area. Though the industry is discharging wastewater meeting the GPCB discharge standards, however the industry has provided ETP of treatment capacity (reportedly 250 KLD) lesser than the wastewater generation and discharge permission as per CCA (790KLD). Therefore, the industry is considered as non-complying with the CCA condition. Moreover, the industry has been issued closure directions under Section 33A of the Water (Prevention & Control of Pollution) Act, 1974 by GPCB on following dates in last 5 years: April 12, 2016, November 28, 2017, December 6, 2019 and May 27, 2020. The industry needs to re-examine the quantity of wastewater generation to augment the ETP with adequate capacity. Hazardous waste was found stored on uncovered area for drying without leachate collection and treatment facility. The industry also needs to improve facility for intermediate storage and handling of hazardous waste by providing covered shed with leachate collection. The Hon’ble National Green Tribunal order dated February 2, 2022, as a result of Company failure to comply with the environmental law's statutory requirements, the NGT declared the Company responsible for their actions. The estimated compensation was ₹ 4.116 Cr, and the number of days in violation was 2058. The matter was last heard on September 19, 2022 and the next hearing date schedule on February 18, 2025. In the Original Matters there are six Interim Application filled by various Respondents including us. The

matter is sub-judice and registered with NGT Pune Bench and waiting for it's hearing. In future if the court or tribunal gives the closure directions than continuity of our business operations, revenue, result of operations and financial condition may adversely be affected.

2. There may be potential conflict of interests between Our Company and our Group Entities.

The main business object/activities of our group entity viz Maccent Biocare Industries, Jainshik Industries, Accent Biosciences Private Limited and Aneta Pharmaceuticals Private Limited also permit them to undertake pharmaceutical business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Conflicts of interests may arise in allocating business opportunities between our Company and our Group Entity activities in circumstances where our respective interests diverge. Further, our Group Entity are allowed to carry on activities as per its MOA, which are similar to the activities carried by our Company. This may be a potential source of conflict of interest in addressing business opportunities, strategies, implementing new plans and affixing priorities. In cases of conflict, our Promoter may favour other company in which our Promoter have interest.

3. We rely on a limited number of suppliers for sourcing our raw materials. Furthermore, we have not entered into any long term agreement or contract of supply of raw materials and consequently are exposed to price and supply fluctuations for our raw materials.

We are dependent on limited number of suppliers for procurement of raw materials required for manufacturing our products. Mainly, our Company is engaged in the business of manufacturing MCC of various grades for which wood pulp in the form of wood pulp sheets is used as the primary raw material during our manufacturing process which are majorly imported from Canada, Sweden, Indonesia by our suppliers. Therefore, we are highly dependent on wood pulp sheets and it forms the most important and primary component of our manufacturing process. Our top five suppliers accounted for 59.64%, 68.95%, 73.41% and 78.85% of our expenses towards the purchase of raw materials for the period ended September 30, 2024 and the Fiscals 2024, 2023 and 2022 respectively.

While we typically have long term relationships with our suppliers but we have not entered into long terms agreements with our suppliers. So, the success of our business is accordingly significantly dependent on us maintaining good relationships with our suppliers. Raw materials prices are normally based on the quotes we receive from various suppliers. We rely on prebooking capacity with our suppliers, based on our demand projections. Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Non-availability or inadequate quantity of raw material or use of substandard quality of the raw materials in the manufacturing of our products, could have a material adverse effect on our business. Further, any discontinuation or a failure of these suppliers to adhere to the delivery schedule or failure to deliver the required quality and quantity could hamper our manufacturing schedule.

4. We derive a significant portion of our revenue from the sale of certain products and any reduction in demand for these products could have an adverse effect on our business, results of operations and financial condition.

We generate a significant portion of our revenue from operations from the sale of a limited number of products. The following table sets forth details of product wise revenue contribution of for the Fiscals 2024, 2023 and 2022 and for the Six month period ended September 30, 2024:

(Amount in ₹ Lakh)

Fiscal Year/ Period	From Microcrystalline Cellulose		From other Excipients		From all the Excipients	
	Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations
As on March 31, 2022	15,408.40	92.98	1,162.73	7.02	16,571.13	100.00
As on March 31, 2023	18,709.07	91.63	1,709.69	8.37	20,418.76	100.00
As on March 31, 2024	23,955.25	91.88	2,118.41	8.12	26,073.65	100.00

As on September 30, 2024	11,603.73	92.07	999.94	7.93	12,603.67	100.00
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Our revenue from the sale of these products may decline as a result of increased competition, regulatory action, pricing pressures or fluctuations in the demand for or supply of such products. Similarly, in the event of any breakthroughs in the development or invention of alternative products for these categories, we may be exposed to the risk of our products being substituted by such alternatives. If we are unable to continue to sell our top products in the market or maintain historic levels of business from these products or fail to successfully introduce new products in other categories to compensate for any losses in these categories, our business, results of operations and financial condition may be adversely affected.

5. Our Major Exports are to Brazil, United Kingdom, United States, Russia, Republic of Korea, Turkey, Germany, Bangladesh, Egypt, Netherland, Indonesia.

Our export sales are majorly dependent on the Brazil, United Kingdom, United States, Russia, Republic of Korea, Turkey, Germany, Bangladesh, Egypt, Netherland, Indonesia. Our Export revenue is dependent on the above countries, the following table represent the top 5 countries on which our export revenue predominantly depends:

For the Period	Top 5 countries	% of total top 5 countries
As on March 31, 2022	United Kingdom, Netherland, United states, Russia, Indonesia	28.32%
As on March 31, 2023	Republic of Korea, Brazil, Bangladesh, Egypt, Germany	22.49%
As on March 31, 2024	Germany, Republic of Korea, Brazil, USA and UK	24.50%
As on September 30, 2024	Denmark, Republic of Korea, Brazil, USA and UK	20.47%

Our export sales are depending on the above countries and in future if any we are not able to sale our products to above countries our revenue will impact majorly. For Further information, refer Geographical wise distribution of our revenue bifurcated on page 69 of this Draft Letter of Offer.

6. Substantial portion of our revenues has been dependent upon our few clients (Top 10). The loss of any one or more of our major clients would have a material effect on our business operations and profitability.

Our Company is engaged in the business of manufacturing MCC and its various grades for sale to various end users, merchants, distributors and exporters. Our top Ten (10) clients contributed approximately 48.69%, 40.75%, 33.22% and 45.74% of our revenue from operations based on Restated Financial Statements for the period ended September 30, 2024 and the Fiscals 2024, 2023 and 2022 respectively. The loss of a significant clients would have a material effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients or that we will be able to replace these clients in case we lose any of them. Furthermore, major events affecting our clients such as bankruptcy, change of management, mergers and acquisitions could impact our business. If any of our major clients becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, impacting our income and financial condition.

Further, as of September 30, 2024, the revenue from the pharmaceutical, nutraceuticals, food, and other technical grades was ₹ 9701.26 lakhs, ₹ 1418.36 lakhs, ₹ 1155.64 lakhs and ₹ 328.41 lakhs respectively, that accounts for 76.97%, 11.25%, 9.17% and 2.61% respectively of our revenues. Our business operations are highly dependent on our customers, especially from the pharmaceutical industry which we cater to and the loss of any of our customers from any industry which we cater to may adversely affect our sales and consequently on our business and results of operations.

7. Our revenues are dependent on clients concentrated in the pharmaceutical industry for a significant portion of our revenue. An economic slowdown or factors affecting this segment may have an adverse effect on our business, financial condition and results of operations.

Our revenues generated with supplies to the pharmaceutical industry for the period ended September 30, 2024 and for the fiscals 2024, 2023 and 2022 are ₹ 9,701.26 lakhs, ₹ 19,659.89 lakhs, ₹ 14,672.98 lakhs and ₹ 12,029.86 lakhs respectively, which accounts for 76.97%, 75.40%, 71.86% and 72.60% respectively of our revenues. Our revenues are highly dependent on our customers from the pharmaceutical industry and the loss of any of our customers from any industry which we cater to may adversely affect our sales and consequently on our business and results of operations.

Further, in any event, there could be vulnerable changes in industry practices. For instance, if pharmaceutical companies or other industries we cater to start producing their raw materials in-house, it could negatively impact the demand for our products. Similarly, in the event of any new product or raw material by our competitors or customers, our products may become obsolete or be substituted by such alternatives; thereby impacting our revenues and profitability adversely.

8. We depend on our promoters, directors, key managerial personnel and senior management and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that they remain associated with us.

Our success depends to a large extent upon the continued services of our promoters, directors, key managerial personnel and senior management team. Our promoters, directors, key managerial personnel and senior management are not bound by employment or non-competition agreements and we cannot assure you that we will be able to retain them or other executive officers. We could be adversely affected by the loss of any of our senior management or other executive officers. The market for such qualified professionals is competitive and we may not continue to be successful in our efforts to attract and retain qualified people. Our success also depends, in part, on key client relationships forged by members of our senior management. If we were to lose these members of our senior management, we cannot assure you that we will be able to continue to maintain key client relationships or renew them. If we are unable to retain these members of our senior management, our business, results of operations and financial condition may be affected. Further, our Promoters, directors, key managerial personnel and senior management may promote other companies/ firms/ ventures, this will divert their attention to the other companies, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our promoters, directors, key managerial personnel and senior management or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business.

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

Our company have entered into related party transactions with our Promoter, Directors and Group Companies which are in compliance with sec 188 of the Companies Act, 2013.

The following table represent the total sales made by the company to related Parties in past 3 financial years and for stub period i.e. September 30th, 2024

(Amount in ₹ Lakh)

Year	Total Sales made by Company to Related Parties (in Lakhs)	Total Revenue including other income (in Lakhs)	% of Total Revenue including other income
For stub period i.e. September 30, 2024	2,326.30	12,901.00	18.03%
Financial Year 2024	952.91	26,445.90	3.60%
Financial Year 2023	1,049.33	20,696.75	5.07%
Financial Year 2022	46.92	16,753.97	0.28%

The following table represent the total purchases made by the company from related Parties in past 3 financial years and for stub period i.e. September 30th, 2024:

(Amount in ₹ Lakh)

Year	Total purchases made by the Company from Related Parties *	Total Purchases made during the year	% of Total Purchases
For stub period i.e. September 30, 2024	690.17	7,585.75	9.10%
Financial Year 2024	1,941.54	14,285.73	13.59%
Financial Year 2023	3,564.28	13,956.78	25.54%
Financial Year 2022	2,849.11	10,323.62	27.60%

* Not consider Purchase of Fixed Asset from Related Parties

Further these related party transactions have been disclosed in our financial statements as per AS-18, and we believe that all such transactions have been conducted on an arms-length basis, we cannot assure you that we may

not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. For further details kindly refer to the chapter titled '*Financial Statements*' beginning on page 105 of this DLOF.

10. Depletion of forest reserves could lead to a reduction in the availability of raw materials, potentially causing an increase in the cost of raw materials.

The pharmaceutical industry relies on various excipients, which serve as inert carriers or additives in medications. These excipients can be categorized into three groups: natural, semi-synthetic, and synthetic. Among these groups, natural excipients are frequently preferred due to their minimal impurities, ready availability, and are economically cheap as compared to their synthetic counterparts. MCC is one of the most commonly used natural excipient that is obtained from wood pulp sheets and our company also deals majorly in MCC which primary relies on wood pulp sheets as the key raw material for producing MCC and its various grades.

Our business's viability is closely tied to the ready availability of wood pulp sheets in the market. Every year, substantial areas of forests are cleared for various purposes, including human settlement, industrial activities, and farming, among others. Without corresponding afforestation efforts, this ongoing depletion of natural forest resources may lead to a decrease in the availability of raw materials, ultimately resulting in increased raw material cost. Rising raw material costs would compel us to raise product prices, negatively impacting our competitiveness. Presently, we have not identified an alternative to wood pulp sheets for our manufacturing processes, making our business highly reliant on a consistent supply of this critical raw material. If, due to dwindling forest reserves, we are unable to procure wood pulp sheets and find no substitute, we may have to suspend or permanently cease our operations. Further, if the government introduces policies or laws regulating the use of wood pulp, our operations would be highly affected by such policies and we cannot assure you that our end use customers will not be affected by the same. On happening of such events, the continuity of our business operations, revenue, result of operations and financial condition may adversely be affected.

11. Changes in technology and advancement of methods and machineries may render our current technologies and plant and machinery obsolete or require us to make substantial capital investments.

Modernisation and technology Upgradation is essential in our industry to reduce costs and increase productivity. With latest technology and advancement of methods and machineries, our existing technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we strive to keep our technology, plant and machinery in line with the latest technological standards, we may be required to implement new technology or upgrade the machineries and other equipment's employed by us. Further, the costs in upgrading our technology and modernizing the plant and machineries are significant which could substantially affect our finances and operations.

12. Any failure in our Quality control process failures may harm our business and financial condition, leading to potential product liability claims and legal actions if our products don't meet customer expectations

Our products may contain certain quality issues or undetected errors, due to defects in manufacture of products or raw materials which are used in the products. We have implemented quality control processes for our raw materials and finished goods on the basis of internal and international quality standards. We are engaged in export operations as well and have to fulfil the quality conditions and processes prescribed under the United States Pharmacopeia ("USP"), EP (European Pharmacopoeia), BP (British Pharmacopoeia), JP (Japanese Pharmacopoeia), and IP (Indian Pharmacopoeia). We have a separate Quality Division which carries out necessary standard operating procedures, standard test procedures on the raw materials and the finished products. However, we cannot assure you that our quality control processes or our product will pass the quality tests and inspections conducted by various international and domestic agencies as per their prescribed standards will not fail. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality control procedures, negligence and human error or otherwise, may damage our products and result in deficient products. It is imperative for us to meet the international quality standards set by our international customers and agencies as deviation from the same can cause them to reject our products and can also cause damage to our reputation, market standing and brand value.

13. Our Company yet to place orders for 100% of the equipment, plant and machinery for installation at the proposed Unit at "Nayaka" Kheda. Any delay in placing orders or procurement of such plant and

machinery may delay the schedule of implementation and possibly increase the cost of commencing operations.

Although we have identified the type of plant and machineries required to be bought at the proposed unit at “Nayaka” Kheda, however, we are yet to place orders for 100% of the plant & machinery, and installation cost thereon worth ₹ 3232.71 lakhs as detailed in the “*Objects of the Issue*” beginning on page 47 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 47 of this Draft Red Herring Prospectus.

14. Our business is subject to extensive regulation, if we fail to comply or obtain and renew certain registrations, licenses and permits from government and regulatory authorities may adversely affect our business operations.

We operate in a highly regulated industry and our operations are subject to extensive regulation in each market in which we do business. Our business operations require us to comply or obtain and renew certain approvals, licenses, registrations and permits, some of which may expire and for which we may have to make an application for obtaining the approval or its renewal. We will be applying for certain approvals relating to our business. Furthermore, in certain markets where we market and sell our products, regulatory authorities must grant approval for our manufacturing facilities and products before they can be marketed, regardless of whether they have already received approval in India or elsewhere. Some of the Certification or guidelines which we have to follow are US-DMF, GMP, ISO 9001:2008, KOSHER, HALAL & USP/NF, EP, BP, JP, IP, FCC, FSSC-22000, FSSAI and etc.

A majority of these approvals require renewal from time to time. There can be delays in obtaining required clearances from regulatory authorities after applications are filed. This could materially and adversely affect our business, financial condition, and results of operations. We cannot assure you that we will be able to obtain approvals in respect of such applications or any application made by us in the future. For more information about the licenses required in our business and the licenses and approvals applied for, please refer “*Government and Other Approvals*” on page 123 of this DLOF, respectively.


15. Our international operations expose us to complex management, legal, tax and economic risks, which could adversely affect our business, results of operations and financial condition.


We have a global presence and our products are exported to more than 45 countries. As a result, our business is subject to risks and challenges associated with international operations, including risks related to complying with several local laws, restrictions on the import and export of certain intermediates, technologies, multiple tax and cost structures, cultural and language factors. Further, regulatory requirements are still evolving in many markets and are subject to change and as a result may, at times, be unclear or inconsistent. We could also face other internal or external risks, including, inter alia, foreign exchange and economic volatility, any need to obtain governmental approvals and permits under unfamiliar regulatory regimes, restrictions on the transfer of funds into or out of a country, longer payment cycles in some countries and inability to maintain or enforce legal rights and remedies and at a reasonable cost or at all. If we do not effectively manage our international operations, it may affect our profitability from such countries, which may adversely affect our business, results of operations and financial condition.

16. If we do not successfully commercialise the products in a timely manner, or if the products that we commercialise do not perform as expected, our business, results of operations and financial condition may be adversely affected.

Our success depends significantly on our ability to commercialise the products in a timely manner. The commercialisation process is time consuming and involve a high degree of business risk. During these periods, our competitors may be developing similar products of which we may be unaware of that could compete directly or indirectly with our products. Such unforeseen competition may hinder our ability to effectively plan the timing of sale of our product, which could have an adverse impact on our results of operations and financial condition.

Additionally, our Company plans to manufacture existing product, namely Microcrystalline Cellulose, in the proposed plant at Nayaka Kheda. However, there is no guarantee that these products will meet our performance expectations.

17. The logo  under the Class 5 and 35 was opposed and we do not own the trademark legally as on date. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third-party intellectual property rights.

Our company have registered our logo  under the class 29 but for the Class 5 & 35, we have applied for registration of our logo under the provisions of the Trademarks Act, 1999 and the same is opposed and do not own the trademark as on date. As such we do not enjoy the statutory protections accorded to a registered trademark as on date. There can be no assurance that we will be able to register the trademark under class 5 & 35 in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

18. Majority of our domestic sales for the last 3 years and stub period is dependent majorly on Top 5 States. Any loss of business from may adversely affect our revenues and profitability.

Our domestic Sales are dependent on the Top 5 States including Gujarat, Himachal Pradesh, Maharashtra, Uttarakhand, Telangana. We generate almost *i.e.* 52.16%, 37.05%, 34.42% and 33.24% of the total domestic Sales generated for the period ended September 30, 2024 and the Fiscals 2024, 2023 and 2022 respectively. Such concentration of revenue in above states may have an adverse effect. Further, drastic change in Taxes and other levies imposed by State Government as well as other financial policies and regulations, Political and deregulation policies, if changed, could harm business and economic conditions. However, the composition and revenue generated from various states might change as we continue to add new customers in the different parts of India. For Further information, refer Geographical wise distribution of our revenue bifurcated on page 69 of the Draft Letter of Offer.

19. There are certain discrepancies and non-compliances noticed in some of our corporate records relating to forms filed with the Registrar of Companies, taxation authorities and other public authorities.

In the past, there have been some instances of delays in filing statutory forms with the RoC which includes CH-4, MGT-14, DIR-12, MR-1, PAS-6, CRA-2, CRA-4, there are delays in EPF with the concerned offices on several instances and have accordingly been subjected to penalty and charged with interest for delayed deposit of tax on various instances as well.

Further with the expansion of our operations there can be no assurance that deficiencies in our internal controls and compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all.

20. Our Company and Directors is involved in certain legal proceeding(s) and potential litigations. Any adverse decision in such proceeding(s) may render them liable to liabilities/penalties.

Our Company and directors are involved in legal proceedings which are pending at different levels of adjudication authorities. We cannot provide assurance that these legal proceedings will be decided in the favour of our Company or director.

A summary of pending legal proceedings and other material litigations is provided below:

Name	By/ Against	Civil Proceedings	Criminal Proceedings	Tax Proceedings	Actions by regulatory authorities	Other Pending Litigations	Amount Involved (in lakhs)
Company	By	-	-	-	-	-	-
	Against	-	-	-	-	1	411.60
Promoter	By	1	-	-	-	-	Not Quantifiable

	Against	-	-	2	-	-	36.13
Directors other than promoters	By	-	-	-	-	-	-
	Against	-	-	-	-	-	-

For further details of the outstanding litigation proceedings, see “*Outstanding Litigations and Material Developments*” on page 118 of this Draft Letter of Offer.

21. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could adversely affect our business, results of operations and financial condition.

We have experienced considerable growth over the past three years and we have expanded our operations and product portfolio. Our total revenue grew at a CAGR of 25.44% between Fiscals 2022 to 2024, while our restated profit after tax grew at a CAGR of 148.52% between Fiscals 2022 and 2024. We cannot assure you that our growth strategies will continue to be successful or that we will be able to continue to expand further, or at the same rate.

Our inability to execute our growth strategies in a timely manner or within budget estimates or our inability to meet the expectations of our customers and other stakeholders, could have an adverse effect on our business, results of operations and financial condition. Our future prospects will depend on our ability to grow our business and operations. The development of such future business could be affected by many factors, including general, political and economic conditions in India, government policies or strategies in respect of specific industries, prevailing interest rates and price of equipment and raw materials. Further, in order to manage our growth effectively, we must implement, upgrade and improve our operational systems, procedures and internal controls on a timely basis. If we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers’ needs, hire and retain new employees or operate our business effectively. Failure to manage growth effectively could adversely affect our business and results of operations.

22. Our business depends on protection of our intellectual property in our product range. Our ability to compete effectively will be impaired if we are unable to protect our intellectual property rights.

We have applied for various product related trademarks but not yet obtained registration with respect to certain trademarks.

We are exposed to the risk that other entities may pass off their products as ours by imitating our brand name and attempting to create counterfeit products. We believe that there may be other companies or vendors which operate in the unorganized segment using our trade name or brand names. The measures we take to protect our intellectual property include relying on Indian laws and initiating legal proceedings, which may not be adequate to prevent unauthorised use of our intellectual property by third parties. Furthermore, the application of laws governing intellectual property rights in India is uncertain and evolving and could involve substantial risks to us. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

23. Our lenders have charged over our movable properties and book debts in respect of finance availed by us.

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over present and future Machinery, Furniture and fixture, Equipment’s, Vehicle, Current Assets, Commercial Premises, Book debts. The total amount outstanding and payable by us as secured loans were ₹ 203.72 lakhs as on September 30, 2024. In the event of default in repayment of the loans / facilities availed by company and any interest thereof, the properties may be subject to forfeiture by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further details of secured loans of our Company, please refer the chapter titled “*Financial Statements*” on page 102 of this DLOF.

24. We are 100% dependent on third-party transportation providers for the supply of raw materials and delivery of our finished products.

Our success depends on the supply and transport of the finished products from our manufacturing facilities to our customers and distributors, which are subject to various uncertainties and risks. Uncertainties and risks such as transportation strikes, failure to book vessels or delay in supply of pharmaceutical products due to port

congestions, vessel / vehicle breakdown could have an adverse effect on our supplies and deliveries to and from our customers and suppliers. In addition, raw materials and finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be a delay in delivery of raw materials and products which may also affect our business and results of operations negatively. In the event we fail to maintain a sufficient volume of raw materials and delivery of such materials to us is delayed, we may be unable to meet our purchase orders in a timely manner or at all, which may result in loss of sales opportunities that our competitors may capitalize on, thereby adversely affecting our business, financial condition, results of operations, and cash flows. Any compensation received from insurers or third-party transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers and distributors. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

25. We have significant power and water requirements for continuous running of our factories. Any disruption to our operations on account of interruption in power and water supply or any irregular or significant hike in power tariffs may have an effect on our business, results of operations and financial condition.

All our manufacturing units have significant electricity and water requirements and any interruption in the supply of water or power may temporarily disrupt our operations. Our manufacturing unit situated at Dahej, SEZ and Pirana receive power supply from Torrent Power Limited and Uttar Gujarat Vij Company Limited, respectively. For our manufacturing units situated at Dahej and Pirana, water supply provided by Gujarat Industrial Development Corporation for carrying out our day-to-day operations.

Since, we have a high power consumption, any unexpected or unforeseen increase in the tariff rates can increase the operating cost of our manufacturing unit and thereby cause an increase in the production cost which we may not be able to pass on to our customers. Water is one of the main components of our manufacturing unit, therefore continuous water supply is essential for smooth business operations of our Company. There are a limited number of electricity providers in the areas from where we operate due to which in case of a price hike, we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition, cash flows and results of operations.

26. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company even after the Issue which will allow them to determine the outcome of matters submitted to shareholders for approval.

Post this Issue, our Promoters and Promoter Group will continue to own collectively 52.62% of our post issue equity share capital assuming full participation from all public shareholders. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over the Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company. In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

27. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.

We are insured for a number of the risks associated with our several businesses, such as insurance cover against loss or damage by fire, earthquake, theft and robbery and taken fidelity insurance. We believe we have got our assets and employees adequately insured; however, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected.

28. Our Promoters have interest in our Company, other than reimbursement of expenses incurred or remuneration.

Our Promoters can be deemed to be interested to the extent of the Equity shares held by them, or their relatives, dividend entitlements, or loans advances and personal guarantee provided by them for the Company, and benefits deriving from the directorship in our Company. Our Promoters are interested in the transaction entered into our Company. For further information, please refer to the chapters titled, “Our Business”, “Our Promoter and Promoter Group” and “*Note No. Annexure VII - Related Party Transactions under Financial Statement of our Company*” beginning on pages 69, 100 and 102 of this Draft Letter of Offer respectively.

29. As the securities of our Company are listed on EMERGE Platform of National Stock Exchange of India Limited, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances / delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.

The Equity Shares of our Company are listed on EMERGE Platform of National Stock Exchange of India Limited, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations. There have been no instances in the past wherein, our Company has failed to comply with the requirements of the SEBI Listing Regulations in a timely manner.

Our Company endeavours to comply with all such obligations/reporting requirements, there may be nondisclosures/ delayed/erroneous disclosures and/or any other violations which might have been committed by us, and the same may result into Stock Exchange and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and Rules and Regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

30. The deployment of funds is entirely at our discretion and as per the details mentioned in the chapter titled “*Objects of the Issue*”.

As the issue size is not more than ₹10,000 lakhs, under Regulation 82 of the SEBI ICDR Regulations it is not required that a monitoring agency be appointed by our Company, for overseeing the deployment and utilisation of funds raised through this Issue. Therefore, the deployment of the funds towards the Objects of this Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. Our Board of Directors along with the Audit Committee will monitor the utilisation of Issue proceeds and shall have the flexibility in applying the proceeds of this Issue. However, the management of our Company shall not have the power to alter the objects of this Issue except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Issue, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same. For further details, please refer to the chapter titled — “*Objects of the Issue*” on page 47 of this Draft Letter of Offer.

31. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and we are required to obtain consents from certain of our lenders prior to the declaration of dividend as per the terms of the agreements executed with them. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. Although our Company has declared dividends in the past, however there can be no assurance that our Company will declare dividends in the future also. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors. For further details, please refer “*Dividend Policy*” on page 101 of this DLOF.

RISKS RELATING TO THE EQUITY SHARES

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

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

33. Our Company will not distribute the Issue Materials to certain overseas Shareholders who have not provided an address in India for service of documents.

Our Company will dispatch the Issue Materials to such Shareholders who have provided an address in India for the service of documents. The Issue Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is a lack of clarity under the Companies Act, 2013, and the rules thereunder, with respect to the distribution of Issue Materials to retail individual shareholders in overseas jurisdictions where such distribution may be prohibited under applicable laws of such jurisdictions. While our Company had, in the recent past, requested individual overseas shareholders to provide an address in India, our Company cannot assure you that the regulator would not adopt a different view with respect to compliance with the Companies Act and may subject our Company to fines or penalties.

34. The Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form (“Physical Shareholder”) may lapse in case they fail to furnish the details of their demat account to the Registrar.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with SEBI – Rights Issue Circular, the credit of Rights Entitlement and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date (i.e., on or before [●]) to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

35. Any future issuance of the Equity Shares, or convertible securities by our Company may dilute your future shareholding and sales of the Equity Shares by our Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, or convertible securities by our Company, including through exercise of employee stock options or restricted stock units may lead to dilution of your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Further, any future sales of the Equity Shares by the Promoters and members of our Promoter Group, or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

36. You may not receive the Equity Shares that you subscribe in the Issue until fifteen days after the date on which this Issue closes, which will subject you to market risk.

The Equity Shares that you subscribe in the Issue may not be credited to your demat account with the depository participants until approximately 15 days from the Issue Closing Date. You can start trading such Equity Shares only after receipt of the listing and trading approval in respect thereof. There can be no assurance that the Equity

Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time period, subjecting you to market risk for such period.

37. There is no guarantee that our Equity Shares will be listed in a timely manner or at all, and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future.

Secondary market trading in our Equity Shares may be halted by a stock exchange because of market conditions or other reasons. Additionally, an exchange or market may also close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at a particular point in time.

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

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

39. Investors will be subject to market risks until the Equity Shares credited to the investors demat account are listed and permitted to trade.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account or that trading in the Equity Shares will commence in a timely manner.

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

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

41. Being an SME platform listed Company on NSE the Equity Shares of the Company are tradable in lots only and holding of any odd lots may cause inability to trade such odd lot shareholding by the shareholder.

The Equity Shares of our Company can be traded only lots. The standardized lot size of securities of SME companies for the secondary market trading on SME Exchange vide SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. The market lot for trading of equity shares of the Company presently is 500 Shares and in multiples of 500 Shares. Any shareholding which is not in multiple of 500 will be an odd lot resulting in non-tradability of such shares, until modification in the trading lot of the shares of the Company

42. There may not be an active or liquid market for our Equity Shares, which may cause the price of the Equity Shares to fall and may limit your ability to sell the Equity Shares.

The price at which the Equity Shares will trade after this Issue will be determined by the marketplace and may be influenced by many factors, including:

- our financial results and the financial results of the companies in the businesses we operate in;
- the history of, and the prospects for, our business and the sectors in which we compete;
- the valuation of publicly traded companies that are engaged in business activities similar to us; and
- significant developments in India's economic liberalization and deregulation policies.

In addition, the Indian equity share markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

EXTERNAL RISK FACTORS

43. We are subject to risks arising from exchange rate fluctuations.

We indulge transact a portion of our business in several other currencies. For the Financial Years 2022, 2023 and 2024 and the six months ended September 30, 2024, our revenue from operations outside India amounted to ₹ 10,823.56 Lakhs, ₹ 12,949.30 Lakhs, ₹ 15,966.94 Lakhs, and ₹ 5,764.97 Lakhs respectively, representing 65.32%, 63.42%, 61.24% and 45.74% respectively, of our total revenue from operations. Additionally, we also procure our raw materials from outside India and, as a result, incur such costs in currencies other than the Indian Rupee. Therefore, we are exposed to exchange rate fluctuations due to the revenue that we receive, the raw materials that we purchase. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our business, financial condition, cash flows and results of operations. The exchange rate between the Indian Rupee and foreign currencies, primarily the U.S. dollar, has fluctuated in the past and our results of operations may be impacted by such fluctuations. A decline in India's foreign exchange reserves could impact the valuation of the Indian Rupee and could result in reduced liquidity and higher interest rates which could adversely affect our financial condition. A future material decline in these reserves could result in reduced liquidity and higher interest rates in the Indian economy which in turn, could adversely affect our business and future financial performance.

44. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 10%, in excess of Rs.1,00,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption

from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

46. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include custom duties on imports of raw materials and components, Goods and Service. These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

47. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

48. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry in which we operate contained in the Draft Letter of Offer.

While facts and other statistics in the Draft Letter of Offer relating to India, the Indian economy and the industry in which we operate has been based on various web site data and IBEF that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "*Industry Overview*" beginning on page 56 of this Draft Letter of Offer. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, The statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

49. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

50. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the

Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

51. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

52. Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

53. Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.

India has experienced natural calamities such as earthquakes, tsunamis, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

54. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks in India, other incidents such as those in US, Russia, Ukraine, Indonesia, Madrid, London and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

55. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

SECTION III – INTRODUCTION

THE ISSUE

This Issue has been authorised through a resolution passed by our Board at its meeting held on October 29, 2024 pursuant to Section 62(1)(a) of the Companies Act. The following is a summary of this Issue and should be read in conjunction with and is qualified entirely by, the information detailed in the chapter titled “*Terms of the Issue*” on page 133 of this Draft Letter of Offer.

Particulars	Details of Equity Shares
Equity Shares proposed to be issued	Upto [●] ([●]) Equity Shares
Rights Entitlement	[●] ([●]) Equity Share for every [●] ([●]) fully paid-up Equity Share held on the Record Date
Fractional Entitlement	Not Applicable
Record Date	[●]
Face value per Equity Shares	₹ 10/- (Rupees Ten Only)
Issue Price per Rights Equity Shares	₹ [●]-/ (Rupees [●] Only)
Issue Size	The issue of up to [●]([●] Only) Rights Equity Shares aggregating to an amount up to ₹ [●] Crores.
Voting Rights and Dividend	The Equity Shares issued pursuant to this Issue shall rank <i>pari pasu</i> in all respects with the Equity Shares of our Company.
Equity Shares issued, subscribed and paid up prior to the Issue	2,10,43,000 (Two Crores Ten Lakhs Forty-Three Thousand Only) Equity Shares
Equity Shares subscribed and paid-up after the Issue (assuming full subscription for and allotment of the Rights Entitlement)	Upto [●] Equity Shares
Money payable at the time of Application	₹ [●]-/ (Rupees [●] Only)
Scrip Details	ISIN: INE0Q5D01013 NSE: ACCENTMIC Rights Entitlement ISIN: [●]
Use of Issue Proceeds	For details please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page 47 of this Draft Letter of Offer.
Terms of the Issue	For details please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page 133 of this Draft Letter of Offer.

GENERAL INFORMATION

Incorporation

Our Company was originally incorporated on April 10, 2012 as a Private Limited Company as “Accent Microcell Private Limited” vide Registration No. 069799 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, pursuant to a special resolution passed by the Shareholders at their Extraordinary General Meeting held on December 5, 2022, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to “Accent Microcell Limited” and a Fresh Certificate of Incorporation consequent to Conversion was issued on December 23, 2022 by the Registrar of Companies, Ahmedabad.

The Corporate Identification Number of our Company is L24230GJ2012PLC069799

Registered and Corporate Office of the Company:

Accent Microcell Limited

Address: 314, Shangrilla Arcade, Shyamal Cross Road,
Anandnagar Road, Satellite,
Ahmedabad, Gujarat, India, 380015

Tel: +91-7575803351

Fax: N.A.

E-mail: info@accentmicrocell.com

Website: <https://accentmicrocell.com/>

CIN: L24230GJ2012PLC069799

Registrar of Company

Address: Registrar of Company, Ahmedabad
ROC Bhavan, Opp Rupal Park society,
Behind Ankur bus stop, Naranpura,
Ahmedabad, Gujarat, India, 380013.

Tel No.: 079-27438531

Fax No: N.A

Email: roc.ahmedabad@mca.gov.in

Website: www.mca.gov.in

Board of Directors

S No.	Name	Age	Designation	Address	DIN
1.	Ghanshyam Arjanbhai Patel	46 years	Managing Director & CFO	A 404 Kala Residency, Ahmedabad, Gujrat- 380015	05225398
2.	Vasant Vadilal Patel	47 years	Executive Chairman & Whole Time Director	B 304, Kala Residency, Manekbag, Ahmedabad, Gujarat- 380015	05225561
3.	Nitin Jasvantbhai Patel	42 years	Whole Time Director	15, Shri Chaitanya State Bank Sub Officer Co. Op. H. Sc. Ltd., Near IIM, Ahmedabad, Gujarat- 380015	05225550
4.	Vinodbhai Manibhai Patel	49 years	Whole Time Director	Paldi Kankaj, Ahmedabad, Gujarat- 382425	07698117
5.	Rajatkumar Dineshbhai Patel	29 years	Independent Director	Baharano Madh, Upera, Mahesana, Gujarat- 384170	09124295
6.	Chintan UmeshBhai Bhatt	29 years	Independent Director	Q-10, Suvarna Apartment, Arjun Ashram Road, Ranip, Ahmedabad, Gujarat- 382480	09289074
7.	Shreyaben Milankumar Shah	30 years	Woman Independent Director	20/9, 8 Dharmottam Bunglows, Prahladnagar,	09726000

S No.	Name	Age	Designation	Address	DIN
				Reliance Petrol Pump, Ahmedabad, Gujarat- 380015	

For detailed profile of our Directors, please refer to the chapter titled “*Our Management*” on page 89 of this Draft Letter of Offer.

Company Secretary and Compliance Officer

Ms. Braham Pal Chhabra was the Company Secretary and Compliance Officer of the Company and she has resigned w.e.f. December 07, 2024. The Company is in process of appoint a new Company Secretary & Compliance Officer.

Chief Financial Officer

Mr. Ghanshyam Arjanbhai Patel

Address: 314, Shangrilla Arcade, Shyamal Cross Road, Anandnagar Road, Satellite, Ahmedabad, Gujarat, India, 380015.

Tel: +91 – 98 2504 4070

E-mail: ghanshyam.patel@accentmicrocell.com

Legal Advisor to the Issue

Legacy Law Offices LLP

Enrolment No.: D/317/1996(R);

Address: Legacy House, D-18, Kalkaji, New Delhi - 110019;

Tel. No.: +91- 99881 98262;

Email: anand@legacylawoffices.com;

Contact Person: Adv. Gagan Anand

Bankers to the Company

Kotak Mahindra Bank Limited

Address: Shangrilla Arcade, Near Shyamal Cross Road, Satellite, Ahmedabad, Gujarat, India, 380015

Contact Person: Mr. Pratik Bhatt

Tel: +91 079 68755

Email: pratik.bhatt1@kotak.com

Website: www.kotak.com

CIN: L65110MH1985PLC038137

Registrar to the Issue

Kfin Technologies Limited

Address: Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana

Tel No.: +91 40 6716 2222

Toll Free No.: 1800 309 4001

E-mail: aml.rights@kfintech.com

Investor Grievances Email Id: inward.ris@kfintech.com

Website: www.kfintech.com

SEBI Registration No.: INR000000221

Contact Person: M Murali Krishna

Investors may contact the Registrar or our Managing Director & Chief Financial Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), E-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper

application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, see “*Terms of the Issue*” on page 133 of this Draft Letter of Offer.

Banker(s) to the Issue /Refund Bank

[•]

Statutory Auditor to the Company

M/s T R Chadha & Co LLP

Chartered Accountants

Firm Registration No.: 006711N / N500028

Peer Review Regn. No.: 014544

Address: 610 – 611, Shivalik Shilp II, Opp Hotel ITC Narmada, Keshavbaug Road, Vastrapur, Ahmedabad, Gujarat, India, 380015

Tel: +91 79 4800 4897 / +91 93 777 718 88

Email: ahmedabad@trchadha.com

Contact Person: Mr. Brijesh Thakkar

Experts

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

Our Company has received written consent dated November 20, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated November 20, 2024 on financial statements for the six month period ended September 30, 2024 and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022; and (ii) Statement of Tax Benefits dated November 20, 2024 included in this Draft Letter of Offer and such consent has not been withdrawn as on the date of this Draft Letter of Offer.

Self-Certified Syndicate Banks

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

Inter-Se Allocation of Responsibilities among Lead Manager(s)

Since the issue size is not exceeding ₹ 50 Crore hence there is no Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Lead Managers is not required.

Credit Rating

This being an issue of equity shares, no credit rating is required.

Debenture Trustees

This being an issue of Equity shares, appointment of Trustee is not required.

Monitoring Agency

Since the net proceeds is less than ₹ 100 Crore, our Company is not required to make arrangements for monitoring agency, in terms of SEBI ICDR Regulations.

Details of Underwriting

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

Changes in Auditors

There has been no change in the Statutory Auditors during the three years immediately preceding the date of this Draft Letter of Offer except the following:

Name of Auditor	Appointed for the Period	Date of Appointment/ Reappointment	Date of Resignation	Reason for Resignation
M/s T R Chadha & Co LLP FRN: 006711N/ N500028 Peer Review: 014544 E-Mail: ahmedabad@trchadha.com Address: 610 – 611, Shivalik Shilp II, Opp Hotel ITC Narmada, Keshavbaug Road, Vastrapur, Ahmedabad, Gujarat, India 380015	April 01, 2023 to March 31, 2028	August 28, 2023	NA	NA
M/s Rajiv Shah & Associates FRN: 108454W Peer Review: 015188 E-Mail: Address: 1111-1112, Shivalik-Shilp-2, Opp. ITC, Narmada Hotel, Mansi Tower Road, Keshavbaug, Vastrapur, Ahmedabad, Gujarat, India, 380015	April 10, 2012 to March 31, 2023	March 04, 2019	NA	NA

Filing

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer will be filed with the Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

Issue Schedule

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

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

**The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.*

Minimum Subscription

Our Promoters and members of our Promoter Group have *vide* their letters each dated October 29, 2024 informed us that they shall not be renouncing their entire Rights Entitlements to third parties except to the extent of renunciation within the promoter group. However, the objects of the Issue involve financing of capital expenditure for a project. Accordingly, minimum subscription criteria provided under Regulation 86(1) of the SEBI ICDR Regulations shall apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive the minimum subscription of at least 90% of the Issue of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI Master Circular. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates as prescribed under the applicable laws.

Our Company is in compliance with Regulation 38 of the SEBI (LODR) Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to the Issue.

CAPITAL STRUCTURE

Share capital of our Company as at the date of filing of this Draft Letter of Offer with NSE is set forth below:

Share Capital	Aggregate Value at Face Value	Aggregate Value at Issue Price
(A) Authorized Share Capital 2,50,00,000 Equity Shares of ₹ 10/- each (₹ 25,00,00,000 Equity Share Capital)	2,500.00	-
(B) Issued, Subscribed and Paid-Up Capital before the Issue 2,10,43,000 Equity Shares of ₹10 each fully paid up	2104.30	-
(C) Present Issue in terms of the Draft Letter of Offer[#] [●] Equity Shares of ₹ [●] each fully paid up	[●]	[●]
(D) Paid up Equity Capital after the Issue [●] Equity Shares of ₹ [●] each fully paid up*	[●]*	[●]
(E) Securities Premium Account Before the Issue After the Issue		7,703.89 [●]

(i). The present Issue has been authorized by the Board of Directors pursuant to a resolution passed at its meeting held on October 29, 2024 under Section 62(1)(c) of the Companies Act.

(ii). Assuming full subscription with respect to Rights Equity Shares

* Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses.

For further details, please refer to the Chapter titled “Issue Information” on page 133 of the Draft Letter of Offer.

Notes to the Capital Structure

1. As on the date of this Draft Letter of Offer, our Company does not have any outstanding instruments.
2. Our Company does not have a stock option scheme.
3. **Shareholding pattern**
 - a. Shareholding Pattern of our Company as per the last filing with the Stock Exchange in compliance with the provisions of the SEBI Listing Regulations. The shareholding pattern of our Company, as on September 30, 2024, can be accessed on the website of the NSE here: <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=ACCENTMIC&tabIndex=sme>
 - b. The statement showing holding of Equity Shares of persons belonging to the category “Promoters and Promoter Group” including the details of lock-in, pledge of and encumbrance thereon, as on September 30, 2024, can be accessed on the website of the NSE here: <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=ACCENTMIC&tabIndex=sme>
 - c. The statement showing holding of securities of persons belonging to the category “Public” including Equity Shareholders holding more than 1.00% of the total number of Equity Shares as on September 30, 2024, can be accessed on the website of the NSE here: <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=ACCENTMIC&tabIndex=sme>
4. Out of 1,15,93,500 Equity Shares held by our Promoter or members of our Promoter Group, 42,08,600 Equity Shares are lock-in. Further, no Equity Shares held by our Promoter or members of our Promoter Group have been pledged or encumbered as of the date of this Draft Letter of Offer. Please find below the details:

Sr. No.	Name of Promoter and Promoter Group	No. of Shares Held	%	Lock-in Shares
Promoters				
1	Nitin Jasantbhai Patel	32,81,000	15.59	12,38,591
2	Vinodbhai Manibhai Patel	32,28,000	15.34	12,38,591
3	Ghanshyam Arjanbhai Patel	26,30,400	12.50	9,89,442
4	Vasant Vadilal Patel	19,34,100	9.19	7,41,976
	Total (A)	1,10,73,500	52.62	42,08,600
Promoter Group				
1	Shaileshbhai Arjanbhai Patel	1,57,000	0.75	Nil
2	Arvindhbhai Manibhai Patel	1,25,000	0.59	Nil
3	Jitendra Vadilal Patel	81,000	0.38	Nil
4	Het Ghanshyambhai Patel	31,000	0.15	Nil
5	Princy Shaileshbhai Patel	20,000	0.10	Nil
6	Jyotiben Ghanshyambhai Patel	20,000	0.10	Nil
7	Kanchanben Shaileshbhai Patel	20,000	0.10	Nil
8	Jahanvi Ghanshyambhai Patel	20,000	0.10	Nil
9	Samip Vasantbhai Patel	13,000	0.06	Nil
10	Chetanaben Jitendrakumar Patel	13,000	0.06	Nil
11	Arvindkumar Manibhai Patel	10,000	0.05	Nil
12	Shrey Vinodkumar Chhabhaiya	5,000	0.02	Nil
13	Rajan Arvindhbhai Chhabhaiya	5,000	0.02	Nil
	Total (B)	5,20,000	2.47	Nil
	Grand Total (A+B)	1,15,93,500	55.09	42,08,600

5. **Details of specified securities acquired by the promoter and promoter group in the last one year immediately preceding the date of filing of the Draft Letter of Offer:**

The details of the acquisition made by our Promoters and members of our Promoter Group in the preceding one year can be accessed on the website of NSE at <https://www.nseindia.com/companies-listing/corporate-filings-insider-trading?symbol=ACCENTMIC&tabIndex=sme>

Except as mentioned above, our Promoters have not acquired any Equity Shares in the last one year immediately preceding the date of filing of the Draft Letter of Offer.

- The Equity Shares of our Company are fully paid up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. Further, the Rights Equity Shares when issued shall be fully paid-up.
- At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
- As on the date of this Draft Letter of Offer, our Company has not issued any SR equity shares and there are no outstanding equity shares having special voting rights.
- No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in the rights issue, except for fees or commission for services rendered in relation to the Issue.
- No person connected with the Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in the rights issue, except for fees or commission for services rendered in relation to the Issue.

11. **Intention and extent of participation by the promoter and promoter group in the issue with respect to:**

Our Promoter and Promoter Group vide their letter dated October 29, 2024 have undertaken to subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favor by any other Promoter or member(s) of the Promoter Group of our Company. Further, our Promoters and Promoter Group reserve the right to apply for, and subscribe to, additional Rights Equity Shares over and above their Rights Entitlements (including unsubscribed portion of the

Issue, if any), subject to compliance with the minimum public shareholding requirements, as prescribed under the SCRR and the SEBI Listing Regulations.

The acquisition of Rights Equity Shares by our Promoters and our Promoter Group, over and above their Rights Entitlements shall not result in a change of control of the management of our Company and shall be in compliance with the SEBI SAST Regulations and such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt from the obligation to make an open offer under Regulation 3(2) of SEBI SAST Regulations, in terms of Regulation 10(4)(b) of the said regulations as conditions mentioned therein have been fulfilled.

The additional subscription by the Promoters shall be made subject to such additional subscription not resulting in the minimum public shareholding of the Issuer falling below the level prescribed in SEBI LODR Regulations/ SCRR. Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

The ex-rights price of the Rights Equity Shares as per Regulation 10(4)(b) of the SEBI SAST Regulations is ₹ [●]/- per equity share.

OBJECTS OF THE ISSUE

Our Company intends to utilize the proceeds from the Issue towards funding of the following objects:

1. To Set up plant for manufacturing of Microcrystalline Cellulose; and
2. General Corporate Purposes

We intend to utilize the gross proceeds raised through the Issue (“**Issue Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the above-mentioned objects.

The objects set out in the Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue and the activities for which the borrowings proposed to be prepaid in full or part from the Net Proceeds.

Details of Objects of the Issue

The details of the objects of the Issue are as follows:

Particulars	Amount in ₹ Lakh
Gross Proceeds from the Issue*	Upto 4000
Less: Issue related expenses	[●]
Net Proceeds from the Issue	[●]

*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted as per the Rights Entitlement ratio.

Requirement of Funds and Utilization of Net Proceeds

The details of the Net Proceeds are set forth in the following table:

Particulars	Amount in ₹ Lakh
To Set up plant for manufacturing of Microcrystalline Cellulose	3232.71
General Corporate Purposes*	[●]
Net Proceeds from the Issue**	[●]

* The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment.

Utilization of Net Proceeds and Schedule of Implementation

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

(Amount in ₹ Lakh)

Particulars	Amount to be funded from the Net Proceeds	Estimated schedule of deployment of Net Proceeds in FY 26
To Set up plant for manufacturing of Microcrystalline Cellulose	3232.71	3232.71
General Corporate Purposes*	[●]	[●]
Net Proceeds from the Issue**	[●]	[●]

* The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

** Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment.

Our Company’s funding requirements and deployment schedules are subject to revision in the future at the discretion of our Board. If additional funds are required for the purposes mentioned above, such requirement may be met through internal accruals, additional capital infusion, debt arrangements or any combination of them. Further, in the event of any shortfall of funds for any of the activities proposed to be financed out of the Net Proceeds, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Our Company may also utilize any portion of the Net Proceeds, towards the aforementioned objects of the Issue, ahead of the estimated schedule of deployment specified above. Further, in the event, the Net Proceeds are not utilized (in full or in part) for the objects of the Issue during the period stated above due to any reason, including (i) the timing of completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining

Net Proceeds shall be utilized in subsequent periods as may be determined by our Company, in accordance with applicable laws.

In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, the same shall be utilised in the next fiscal year, as may be determined by our Company, in accordance with applicable laws. 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 other existing objects, if required and towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations.

Means of Finance

The funding requirements mentioned above are based on inter alia our Company's internal management estimates and have not been appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment, costs of commodities, interest or exchange rate fluctuations. Our Company proposes to meet the entire funding requirements for the proposed objects of the Issue from the Net Proceeds and identifiable internal accruals. Therefore, our Company is not required to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue and through the internal accrual. Our Company proposes to meet the entire requirement of funds for the proposed objects of the Issue from the Net Proceed and through the internal accruals. Accordingly, our Company confirms that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue and through the internal accruals.

Schedule of Implementation and Deployment of Funds

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during FY 26.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the funds requirements described herein.

Details of the Objects of the Issue

1. To Set up plant for manufacturing of Microcrystalline Cellulose

Our Company proposes to utilize an aggregate amount of ₹ 3232.71 Lakhs from the Net Proceeds towards the acquisition of the following Building and machinery which will be used in our ongoing and future projects. The Building and machinery will enhance our operating capacity and ability to execute more orders quickly and with greater precision

The details of the machinery proposed to be acquired are as under:

Sr. No.	Particular	Nos.	Unit	Rate for Units	Approx. Budget
1	Land & Site development---Already procured				
	1.1	Land Acquisition		Sq. Mt	- Available
	1.2	Site Development (Filling, Fence wall)	-	-	-
	1.3	Landscaping (Underground water tank, bore well, soak well, garden, Main Gate, Security Cabin, Internal road)	-	-	-
2	Civil work				

Sr. No.	Particular	Nos.	Unit	Rate for Units	Approx. Budget
	2.1 Civil Concrete work				
	2.1.1 Building A				
	Building Ground Floor	2800	Sq. Mt.	11,071/-	3,10,00,000.00
	Building First Floor	2800	Sq. Mt.	7,857/-	2,20,00,000.00
	Building Second Floor	2800	Sq. Mt.	7,857/-	2,20,00,000.00
	Building Third Floor	2800	Sq. Mt.	7,857/-	2,20,00,000.00
3	Architecture work				
	3.1 Elevation of building	1	Set.	20,00,000.00	20,00,000.00
	3.2 Lift & Hoist	1	Nos.	10,00,000.00	10,00,000.00
4	Plumbing and Drainage work				
	4.1 Underground piping; Tap water piping; Excavation & Labour	1	Set.	37,00,000.00	37,00,000.00
	4.2 STP System	-	Set.	-	-
	4.3 MEE Plant	1	Nos.	2,17,00,000.00	2,17,00,000.00
	4.4 Storage Tank	-	Nos.	-	-
5	Water system				
	5.1 Water Softener System				
	5.1.1 Water Softener Plant Storage & Distribution System	-	Nos.	-	-
	5.2 Purified Water System				
	5.2.1 RO + RO + MB Generation , Storage & Distribution System (25 m3/hr)	1	Nos.	1,20,00,000.00	1,20,00,000.00
6	Electric Work				
	6.1 Connection & Deposit Charges	-	Nos.	-	-
	6.2 Distribution panels	1	Lot.	40,00,000.00	40,00,000.00
	6.3 Cables, piping, cable tray, fixtures, lights, sockets, boards, CCTV, LAN, EPBX & Labour	1	Lot.	1,23,00,000.00	1,23,00,000.00
7	HVAC & Comfort System				
	7.1 AHU suitable to outdoor (AHU/ducting/fitting/ Insulation/HEPA Filter etc.)	2	Nos.	25,00,000.00	50,00,000.00
	7.2 FDV supply & ducting	5	Nos.	10,00,000.00	50,00,000.00
	7.3 FDV return & ducting	5	Nos.	10,00,000.00	50,00,000.00
8	Compressed Air system				
	8.1 Air compressor with dryer, receiver fixtures & piping with labour				
	8.1.1 Instrument Air & Process Air (50 HP)	1	Nos.	15,00,000.00	15,00,000.00
9	Boilers and Utility				
	9.1 Boilers, chimney, Piping and accessories (8 MT)	1	Nos.	6,00,00,000.00	6,00,00,000.00
	9.2 Condense water storage and distribution system	1	Nos.	36,00,000.00	36,00,000.00
10	Production machinery				
	10.1 All production Machinery	1	Nos.	24,27,00,000.00	24,27,00,000.00
11	CRP system				
	11.1 Puff panels; Risers; Doors; View Panels; Covings; Cutouts & conduit	1	Lot.	95,00,000.00	95,00,000.00
12	Fire Detection and Fire Fighting System				
	12.1 Fire Extinguishers	1	Nos.	15,00,000.00	15,00,000.00
13	Furniture (Plant & Other)				
	13.1 All SS furniture & other movable items	1	Nos.	40,00,000.00	40,00,000.00
14	Room finishing work				

Sr. No.	Particular	Nos.	Unit	Rate for Units	Approx. Budget
	14.1 False ceiling; Epoxy flooring; PU Flooring; Epoxy covings & Labour	1	Nos.	35,00,000.00	35,00,000.00
15	Laboratory				
	15.1 Laboratory instruments	-	Nos.	-	-
16	Electronics				
	16.1 Computers; AC; Air curtains Etc.	1	Nos.	10,00,000.00	10,00,000.00
17	Pumps				
	17.1 Pumps and Pipings	1	Nos.	10,00,000.00	10,00,000.00
18	Services & other support				
	18.1 FDA Approval	1	Nos.	1,80,000.00	1,80,000.00
	18.2 Environmental Clearance	-	Nos.	-	-
	18.3 Project Consultancy	-	Nos.	-	-
	18.4 Site Support, Site Engineer & Visit Charges	-	Nos.	-	-
Sub Total					49,71,80,000

The Orders are yet to be placed for the above machinery.

Other confirmations relating to the proposed facility.

- We have received quote from Tradestone Projects Private Limited, have provided the quote dated October 24, 2024 for an amount of Rs. 49,71,80,000/- which is valid till February 28, 2024.
- Om Engineering, have provided the quote dated December 2, 2024 for an amount of Rs. 52,39,80,000/- which is valid for 120 days from December 2, 2024.
- Natraj Engineering, have provided the quote dated November 28, 2024 for an amount of Rs. 51,19,80,000/- which is valid for 90 days from November 28, 2024.

However, we have not entered into any definitive agreements with the vendor and there can be no assurance that the same vendor would supply at same costs. Payments for Civil and structural works, Electricals and fittings and for the purchase of machinery and utilities shall be made in Indian Rupee except for a few Equipments which the vendors import from abroad, if any, payment of which will be made by our Company in foreign currency. Also, We do not intend to purchase any second-hand machinery or equipment. We will initiate the purchase of all equipment, machinery and utilities for the above capital expenditure as per the schedule of implementation as mentioned above.

2. General Corporate Purposes

In terms of Regulation 62(2) of the SEBI ICDR Regulations, and in accordance with the policies of our Board, will have flexibility in applying the remaining Net Proceeds of this Issue of ₹ [●], for general corporate purposes inter-alia including but not restricted to strategic initiatives, working capital requirements and strengthening of our marketing capabilities, and such other purposes as may be permitted under applicable statutory/regulatory requirements, and as approved by our Board of Directors.

The quantum of utilization of funds towards each of the above purposes will be determined by the Board of Directors based on the amount actually available under the head “General Corporate Purposes” and the business requirements of the Company, from time to time. However, not more than 25% of the gross proceeds of the issue would be deployed for the General Corporate purposes.

Issue Related Expenses

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

Activity	*Expense (in ₹ Lakh)	Percentage of Issue Expenses	Percentage of the Issue size
Fees of Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor’s fees, Advisor fee including out of pocket expenses etc.	[●]	[●]	[●]

Activity	*Expense (in ₹ Lakh)	Percentage of Issue Expenses	Percentage of the Issue size
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[•]	[•]	[•]
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	[•]	[•]	[•]
Total Estimated Issue expenses	[•]	[•]	[•]

* Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.

Bridge Loan

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

Interim Use of Funds

Our Company, in accordance with the policies established by our Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilization for the purposes described above, our Company intends to temporarily deposit the funds in the scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934 as may be approved by our Board of Directors.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Net Issue Proceeds for any investment in equity and/ or real estate products and/ or equity linked and/ or real estate linked products.

Appraising Entity

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

Interest of Promoters and Directors in the Objects of the Issue

None of our Promoter, members of the Promoter Group and Directors have any interest in the objects of the Issue and no part of the Net Proceeds will be paid by our Company as consideration to our Promoter, Promoter Group, Directors and Key Managerial Personnel of our Company.

Financial and Strategic Partners

Our Company does not have any financial or strategic partners to the objects of the Issue as of the date of this Draft Letter of Offer.

Monitoring of Utilization of Funds

Since the proceeds from the Issue are less than ₹10,000 lacs, in terms of Regulation 16(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. As required under the SEBI Listing Regulations, the Audit Committee appointed by the Board shall monitor the utilization of the proceeds of the Issue. We will disclose the details of the utilization of the Net Proceeds of the Issue, including interim use, under a separate head in our financial statements specifying the purpose for which such proceeds have been utilized or otherwise disclosed as per the disclosure requirements.

Further, in accordance with Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the Net proceeds from the Objects, as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the Objects, as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results of our Company, after placing such information before our Audit Committee.

Key Industrial Regulations for the Objects of the Issue

Except as stated above no additional provisions of any acts, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

Other Confirmations

- Our Promoter, members of our Promoter Group and our Directors do not have any interests in the objects of the Issue.
- No part of the proceeds from the Issue will be paid by our Company as consideration to its Promoter, Promoter Group or Directors, except in the normal course of its business.
- There are no existing or anticipated transactions in relation to the utilization of Net Proceeds with our Promoter, our Directors or members of the Promoter Group.

STATEMENT OF SPECIAL TAX BENEFITS

STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO ACCENT MICROCELL LIMITED (“THE COMPANY”) AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

CERTIFICATE ON SPECIAL TAX BENEFITS FOR THE COMPANY

To,
The Board of Directors
Accent Microcell Limited
314, Shangrilla Arcade, Shyamal Cross Road,
Anandnagar Road, Satellite
Ahmedabad Gujarat - 380015

Subject: Certificate on Possible Special Tax Benefits

Re: Proposed rights issue of equity shares of face value Rs. 10 each (the “Equity Shares” and such offering, the “Issue”) of Accent Microcell Limited (the “Company”) pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI Regulations”) and the Companies Act, 2013, as amended (the “Act”).

1. We, T R Chadha & Co LLP, Chartered Accountants, being the Statutory Auditor of the company, have been requested by the company to verify the statement of possible tax benefits available to company under Income Tax Act, 1961 (read with income tax rules, circulars, notifications) as amended by Finance Act, 2024, hereinafter referred to as “Indian Income Tax Regulations” presented in **Statement I** which has been prepared by the management of the Company and signed by us for identification purposes.

2. Management’s Responsibility:

The preparation of the Statement as of the date of our certificate which is to be included in the Draft Letter of Offer and Letter of Offer is the responsibility of the management of the Company. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

The management is also responsible for ensuring compliance with the requirements of the SEBI ICDR Regulations as applicable to the Company and providing us the required information / documents as may be required by us for certifying the requirement as per paragraph above.

3. Procedure followed for this Certificate and Our Responsibility.

We have performed the following procedures in this regard:

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. We conducted our examination of the information given in this certificate (including the Statements thereto) in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’ (“Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”), as revised from time to time, to obtain a reasonable assurance that such details are in agreement with the books of accounts and other relevant records provided to us, in all material respects. The aforesaid Guidance Note requires that we comply with the ethical requirements of the ‘Code of Ethics’ issued by the ICAI, as revised from time to time.

We have reviewed the enclosed **Statements I**, prepared by the Company and initialled by us for identification purposes, which provides the possible special tax benefits available to the Company as stated in those Statements, as under:

- Indian Income Tax Regulations, applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force in India; and

Several of these stated tax benefits / consequences are dependent on the Company fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company to derive the tax benefits is dependent on fulfilling such conditions.

4. Inherent Limitation:

The benefits discussed in the enclosed Statements are not exhaustive. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest money based on this statement. These statements do not cover any general tax benefits available to the Company and is neither designed nor intended to be a substitute for professional tax advice.

Further, we give no assurance that the revenue authorities / courts will concur with our views expressed herein. Our views are based on the existing provisions of Indian Income Tax Regulations and its interpretation and Indian Indirect Tax Regulations, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

We shall not be liable to the Company for any claims, liabilities or expenses arising from facts and disclosure in statement of tax benefits determined to have resulted primarily from bad faith or intentional misrepresentation.

We will not be liable to any other person in respect of the Statement.

5. Opinion:

Considering the provisions of Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications issued from time to time) as amended by the Finance Act, 2024 and presently in force in India and according to the information and explanations provided to us by the Management of the Company, read with Auditor's responsibility and methodology detailed above, nothing has come to our attention that causes us to believe that the Statement mentioned in "**Statement I**" does not presents, the possible tax benefits primarily available as of September 30, 2024, to the Company and its shareholders, in accordance with the Income Tax Regulations.

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

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

6. Restriction on use:

This certificate, including **Statement I** herein, is for your information and for inclusion in the in the Draft Letter of Offer / Letter of Offer to be filed by the Company with the Registrar of Companies, Ahmedabad ("RoC"), Securities and Exchange Board of India, ("SEBI"), and the Emerge Platform of National Stock Exchange of India Limited (the "Stock Exchange"), with respect to the said Issue. It is not to be used for any other purpose or to be distributed to any other parties. This certificate relates only to the items specified above and does not extend to any financial statements of the Company, taken as a whole.

Yours faithfully,
For T R Chadha & Co LLP
Chartered Accountants
FRN: 006711N \ N500028

(Brijesh Thakkar)
Partner
Membership No.: 135556
Place: Ahmedabad
UDIN: 24135556BKABNZ4126

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

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholder under the Income Tax Act 1961 (read with the rules, circulars and notifications issued in connection thereto), as amended by the Finance Act, 2024 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

A. Special tax benefits available to the Company under the Income Tax Act, 1961 (The “Act”)

Except as mentioned herein, there are no possible special tax benefits available to the company under Income Tax Act, 1961 read with the relevant Income Tax Rules, 1962,

- In accordance with and subject to fulfilment of conditions as laid out under Section 10AA of the Income-Tax Act, 1961 (‘IT Act’) the Company may be entitled to claim deduction for profit and gains derived from export of goods provided by its unit set up in special economic zone, subject to fulfillment of the conditions prescribed under the law in this regard.

B. Special tax benefits available to the Shareholders under the Income Tax Act, 1961 (The “Act”)

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

NOTES:

1. We have not considered the general tax benefits available to the Company, or shareholders of the Company.
2. The above is as per the Tax Laws as on date.
3. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of Equity Shares.
4. This Statement does not discuss any tax consequences in any country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income –tax consequences that apply to them.
5. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information contained in 'Industry Overview' in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

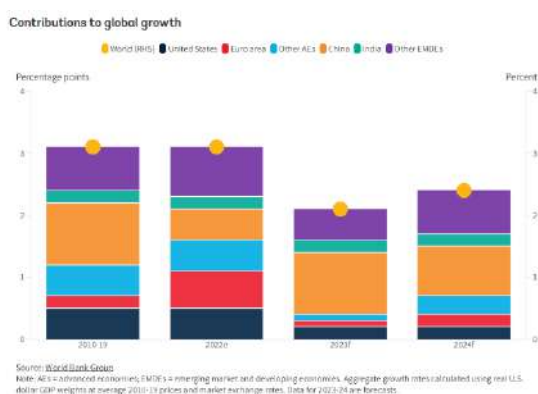
Shareholders should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, shareholders should read this entire Draft Letter of Offer, including the information in the sections "Risk Factors" and "Financial Information" beginning on pages 23 and 102 of this Draft Letter of Offer respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' beginning on page 23 of this Draft Letter of Offer.

GLOBAL ECONOMIC OUTLOOK IN FIVE CHARTS

The global economy is set to slow substantially in 2023. The lagged and current effects of monetary tightening, as well as more restrictive credit conditions, are expected to weigh on activity in the second half of the year, with weakness persisting into 2024. Excluding China, growth in emerging market and developing economies (EMDEs) is set to decline markedly, with the outlook weakest in countries with elevated fiscal and financial vulnerabilities. The resurgence of recent banking sector turmoil represents a serious risk. Widespread financial stress could have especially severe economic consequences.

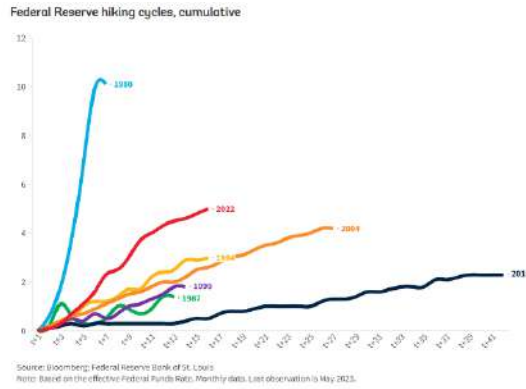
1. Global growth is slowing

The global economy is forecast to slow substantially this year, with a pronounced deceleration in advanced economies. Monetary tightening is expected to have its peak impact this year for many major economies. Global growth is forecast to decline to 2.1 percent in 2023, a full percentage point less than in 2022, before a tepid recovery to 2.4 percent in 2024. In emerging market and developing economies (EMDEs) excluding China, growth is projected to fall to 2.9 percent in 2023, from 4.1 percent in 2022, as tight global financial conditions and subdued external demand weigh on activity. Global growth could weaken more than anticipated in the event of further financial sector stress, or if persistent inflation prompts tighter-than-expected monetary policy.



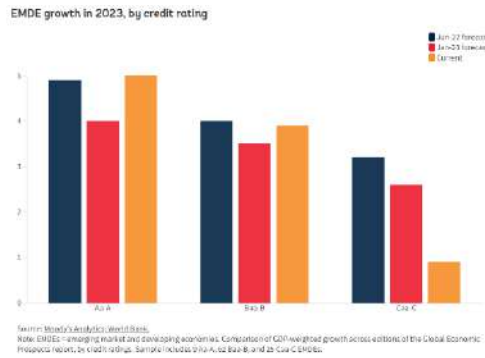
2. Monetary policy will weigh on growth this year and next

The substantial near-term deceleration expected in advanced economies is mainly due to the lagged effects of the sharp rise in policy rates over the past year and a half, aimed at reining in high inflation. Tight monetary policy in the United States, in particular, can adversely affect EMDEs in several ways. It slows the U.S. economy, which reduces demand for EMDE exports, and tends to lead to higher interest rates in EMDEs.



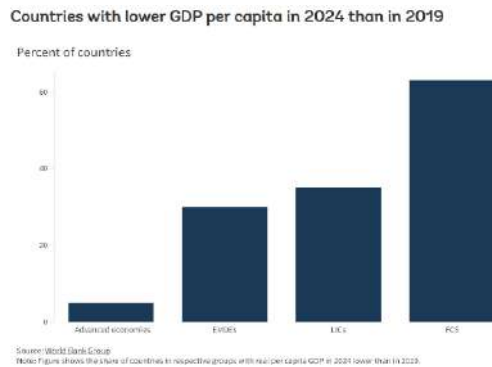
3. Restrictive financial conditions pose severe challenges for vulnerable EMDEs

The majority of EMDEs have so far withstood global monetary tightening with limited financial stress. However, in EMDEs with pronounced vulnerabilities (as reflected by low credit ratings) sovereign risk spreads have widened sharply, domestic currencies have depreciated, and already-limited fiscal space has dwindled further. Growth projections for these economies have been revised markedly lower, to less than 1 percent in 2023.



4. The pandemic recovery remains weak

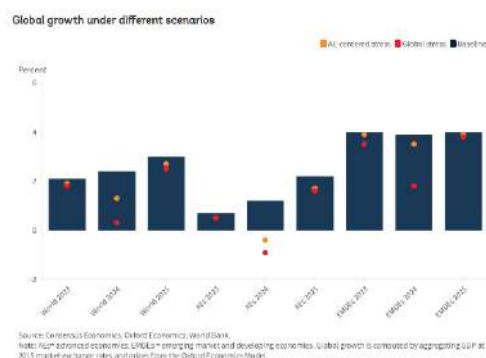
In per capita terms, the latest forecasts suggest a weak recovery from the overlapping shocks of the past three years. Nearly a third of EMDEs, including two-thirds of countries in fragile and conflict-affected situations, are expected to have lower per capita incomes in 2024 than they did in 2019. Fragility continues to aggravate humanitarian crises, entrenching extreme poverty.



Further episodes of financial stress are a serious risk to the global economy

Several large banks in advanced economies have failed this year. More—and more disorderly—bank failures represent a key risk. The negative effects would be greatest if banking turmoil were to escalate into a systemic crisis, transmitted around the world via cross-border financial linkages. This would result in a severe downturn in the global economy in 2024—global growth could decline to just 0.3 percent. A severe credit crunch confined

mostly to advanced economies would do lesser though still serious damage, reducing global growth in 2024 to 1.3 percent.



(Source: <https://blogs.worldbank.org/developmenttalk/global-economic-outlook-five-charts-1>)

THE FORECAST BY IMF

Global growth is projected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. While the forecast for 2023 is modestly higher than predicted in the April 2023 World Economic Outlook (WEO), it remains weak by historical standards. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. Underlying (core) inflation is projected to decline more gradually, and forecasts for inflation in 2024 have been revised upward.

The recent resolution of the US debt ceiling standoff and, earlier this year, strong action by authorities to contain turbulence in US and Swiss banking, reduced the immediate risks of financial sector turmoil. This moderated adverse risks to the outlook. However, the balance of risks to global growth remains tilted to the downside. Inflation could remain high and even rise if further shocks occur, including those from an intensification of the war in Ukraine and extreme weather-related events, triggering more restrictive monetary policy. Financial sector turbulence could resume as markets adjust to further policy tightening by central banks. China's recovery could slow, in part as a result of unresolved real estate problems, with negative cross-border spillovers. Sovereign debt distress could spread to a wider group of economies. On the upside, inflation could fall faster than expected, reducing the need for tight monetary policy, and domestic demand could again prove more resilient.

In most economies, the priority remains achieving sustained disinflation while ensuring financial stability. Therefore, central banks should remain focused on restoring price stability and strengthening financial supervision and risk monitoring. Should market strains materialize, countries should provide liquidity promptly while mitigating the possibility of moral hazard. They should also build fiscal buffers, with the composition of fiscal adjustment ensuring targeted support for the most vulnerable. Improvements to the supply side of the economy would facilitate fiscal consolidation and a smoother decline of inflation toward target levels.

For advanced economies, the growth slowdown projected for 2023 remains significant: from 2.7 percent in 2022 to 1.5 percent in 2023, with a 0.2 percentage point upward revision from the April 2023 WEO. About 93 percent of advanced economies are projected to have lower growth in 2023, and growth in 2024 among this group of economies is projected to remain at 1.4 percent.

- In the United States, growth is projected to slow from 2.1 percent in 2022 to 1.8 percent in 2023, then slow further to 1.0 percent in 2024. For 2023, the forecast has been revised upward by 0.2 percentage point, on account of resilient consumption growth in the first quarter, a reflection of a still-tight labour market that has supported gains in real income and a rebound in vehicle purchases. However, this consumption growth momentum is not expected to last: Consumers have largely depleted excess savings accumulated during the pandemic, and the Federal Reserve is expected to raise rates further.
- Growth in the euro area is projected to fall from 3.5 percent in 2022 to 0.9 percent in 2023, before rising to 1.5 percent in 2024. The forecast is broadly unchanged, but with a change in composition for 2023. Given stronger services and tourism, growth has been revised upward by 0.4 percentage point for Italy and by 1.0 percentage point for Spain. However, for Germany, weakness in manufacturing output and economic contraction in the first quarter of 2023 means that growth has been revised downward by 0.2 percentage point, to -0.3 percent.

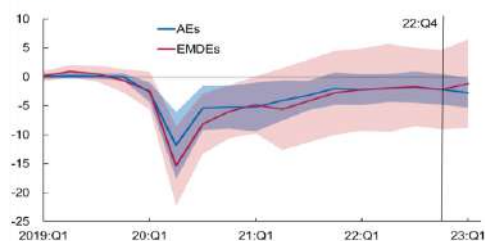
- Growth in the United Kingdom is projected to decline from 4.1 percent in 2022 to 0.4 percent in 2023, then to rise to 1.0 percent in 2024. This is an upward revision of 0.7 percentage point for 2023, reflecting stronger-than-expected consumption and investment from the confidence effects of falling energy prices, lower post-Brexit uncertainty (following the Windsor Framework agreement), and a resilient financial sector as the March global banking stress dissipates.
- Growth in Japan is projected to rise from 1.0 percent in 2022 to 1.4 percent in 2023, reflecting a modest upward revision, buoyed by pent-up demand and accommodative policies, then slow to 1.0 percent in 2024, as the effects of past stimuli dissipate.
- For emerging market and developing economies, growth is projected to be broadly stable at 4.0 percent in 2023 and 4.1 percent 2024, with modest revisions of 0.1 percentage point for 2023 and –0.1 percentage point for 2024. However, this stable average masks divergences, with about 61 percent of the economies in this group growing faster in 2023 and the rest—including low-income countries and three of the five geographic regions described in what follows—growing more slowly.
- Growth in emerging and developing Asia is on track to rise to 5.3 percent in 2023, then to moderate to 5.0 percent in 2024, reflecting a modest (0.1 percentage point) downward revision for 2024. The forecast for China is unchanged at 5.2 percent for 2023 and 4.5 percent for 2024, but with a change in composition: Consumption growth has evolved broadly in line with April 2023 WEO projections, but investment has underperformed due to the ongoing real estate downturn in that country. Stronger-than-expected net exports have offset some of the investment weakness, although their contribution is declining as the global economy slows. Growth in India is projected at 6.1 percent in 2023, a 0.2 percentage point upward revision compared with the April projection, reflecting momentum from stronger-than-expected growth in the fourth quarter of 2022 as a result of stronger domestic investment.
- Growth in emerging and developing Europe is projected to rise to 1.8 percent in 2023, reflecting a 0.6 percentage point upward revision since April, and to rise further to 2.2 percent in 2024. The forecast for Russia in 2023 has been revised upward by 0.8 percentage point to 1.5 percent, reflecting hard data (on retail trade, construction, and industrial production) that point to a strong first half of the year, with a large fiscal stimulus driving that strength.
- Latin America and the Caribbean is expected to see growth decline from 3.9 percent in 2022 to 1.9 percent in 2023, although this reflects an upward revision of 0.3 percentage point since April, and to reach 2.2 percent in 2024. The decline from 2022 to 2023 reflects the recent fading of rapid growth during 2022 after pandemic reopening, as well as lower commodity prices; the upward revision for 2023 reflects stronger-than-expected growth in Brazil—marked up by 1.2 percentage points to 2.1 percent since the April WEO—given the surge in agricultural production in the first quarter of 2023, with positive spillovers to activity in services. It also reflects stronger growth in Mexico, revised upward by 0.8 percentage point to 2.6 percent, with a delayed post-pandemic recovery in services taking hold and spillovers from resilient US demand.
- Growth in the Middle East and Central Asia is projected to decline from 5.4 percent in 2022 to 2.5 percent in 2023, with a downward revision of 0.4 percentage point, mainly attributable to a steeper-than-expected growth slowdown in Saudi Arabia, from 8.7 percent in 2022 to 1.9 percent in 2023, a negative revision of 1.2 percentage points. The downgrade for Saudi Arabia for 2023 reflects production cuts announced in April and June in line with an agreement through OPEC+ (the Organization of the Petroleum Exporting Countries, including Russia and other non-OPEC oil exporters), whereas private investment, including from “giga-project” implementation, continues to support strong non-oil GDP growth.
- In sub-Saharan Africa, growth is projected to decline to 3.5 percent in 2023 before picking up to 4.1 percent in 2024. Growth in Nigeria in 2023 and 2024 is projected to gradually decline, in line with April projections, reflecting security issues in the oil sector. In South Africa, growth is expected to decline to 0.3 percent in 2023, with the decline reflecting power shortages, although the forecast has been revised upward by 0.2 percentage point since the April 2023 WEO, on account of resilience in services activity in the first quarter.

Forces Shaping the Outlook

The global recovery from the COVID-19 pandemic and Russia's invasion of Ukraine is slowing amid widening divergences among economic sectors and regions.

The World Health Organization (WHO) announced in May that it no longer considers COVID-19 to be a “global health emergency.” Supply chains have largely recovered, and shipping costs and suppliers' delivery times are back to pre-pandemic levels. But forces that hindered growth in 2022 persist. Inflation remains high and continues to erode household purchasing power. Policy tightening by central banks in response to inflation has raised the cost of borrowing, constraining economic activity. Immediate concerns about the health of the banking sector have subsided, but high interest rates are filtering through the financial system, and banks in advanced economies have significantly tightened lending standards, curtailing the supply of credit. The impact of higher interest rates extends to public finances, especially in poorer countries grappling with elevated debt costs, constraining room for priority investments. As a result, output losses compared with pre-pandemic forecasts remain large, especially for the world's poorest nations. Despite these headwinds, global economic activity was resilient in the first quarter of 2023, with that resilience driven mainly by the services sector. The post-pandemic rotation of consumption back toward services is approaching completion in advanced economies (including in tourism-dependent economies of southern Europe), and it accelerated in a number of emerging market and developing economies in the first quarter (Figure 1). However, as mobility returns to pre-pandemic levels, the scope for further acceleration appears more limited.

Figure 1. Value Added in the Services Sector: Distance to Pre-Pandemic Trends (Percent)



Sources: Haver Analytics, and IMF staff calculations.
Note: The lines denote means and the bands represent one standard deviation around the means. For 18 AEs, the sample comprises AUS, CAN, CHE, CZE, DEU, DNK, ESP, FRA, GBR, ISR, ITA, KOR, NOR, NZL, SGP, SWE, TWN, and USA. For 16 EMDEs, the sample comprises ARG, BRA, CHL, CHN, COL, HUN, IDN, IND, MEX, MYS, PER, PHL, RUS, THA, TUR, and ZAF. Economy list uses International Organization for Standardization (ISO) country codes. AEs = advanced economies; EMDEs = emerging market and developing economies.

At the same time, nonservices sectors, including manufacturing, have shown weakness, and high-frequency indicators for the second quarter point to a broader slowdown in activity. Amid softening consumption of goods, heightened uncertainties regarding the future geoeconomic landscape, weak productivity growth, and a more challenging financial environment, firms have scaled back investment in productive capacity. Gross fixed capital formation and industrial production have slowed sharply or contracted in major advanced economies, dragging international trade and manufacturing in emerging markets with them. International trade and indicators of demand and production in manufacturing all point to further weakness. Excess savings built up during the pandemic are declining in advanced economies, especially in the United States, implying a slimmer buffer to protect against shocks, including those to the cost of living and those from more restricted credit availability.

The fight against inflation continues. Inflation is easing in most countries but remains high, with divergences across economies and inflation measures. Following the buildup of gas inventories in Europe and weaker-than-expected demand in China, energy and food prices have dropped substantially from their 2022 peaks, although food prices remain elevated. Together with the normalization of supply chains, these developments have contributed to a rapid decline in headline inflation in most countries. Core inflation, however, has on average declined more gradually and remains well above most central banks' targets. Its persistence reflects, depending on the particular economy considered, pass-through of past shocks to headline inflation into core inflation, corporate profits remaining high, and tight labor markets with strong wage growth, especially in the context of weak productivity growth that lifts unit labor costs. However, to date, wage-price spirals—wherein prices and wages accelerate together for a sustained period—do not appear to have taken hold in the average advanced economy, and longer-term inflation expectations remain anchored. In response to the persistence of core inflation, major central banks have communicated that they will need to tighten monetary policy further. The Federal Reserve paused rate hikes at its June meeting but signaled further ones ahead, and the Reserve Bank of Australia, Bank of Canada, Bank of England, and European Central Bank have continued to raise rates. At the same time, in some other economies, particularly in East Asia, where mobility curbs during the pandemic restricted demand for services longer than elsewhere, core inflation has remained low. In China, where inflation is well below target, the central bank recently cut policy interest rates. The Bank of Japan has kept interest rates near zero under the quantitative and qualitative monetary easing with yield curve control policy.

Acute stress in the banking sector has receded, but credit availability is tight. Thanks to the authorities' swift reaction, the March 2023 banking scare remained contained and limited to problematic regional banks in the United States and Credit Suisse in Switzerland. Accordingly, since the April 2023 WEO, global financial conditions have eased (Box 1), a sign that financial markets may have become less concerned about risks to

financial stability coming from the banking sector. But tight monetary policy continues to put some banks under pressure, both directly (through higher costs of funding) and indirectly (by increasing credit risk). Bank lending surveys in the United States and Europe suggest that banks restricted access to credit considerably in the first quarter of 2023, and they are expected to continue to do so in coming months. Corporate loans have been declining lately, as has commercial real estate lending.

Following a reopening boost, China’s recovery is losing steam. Manufacturing activity and consumption of services in China rebounded at the beginning of the year when Chinese authorities abandoned their strict lockdown policies; net exports contributed strongly to sequential growth in February and March as supply chains normalized and firms swiftly put backlogs of orders into production. Nonetheless, continued weakness in the real estate sector is weighing on investment, foreign demand remains weak, and rising and elevated youth unemployment (at 20.8 percent in May 2023) indicates labor market weakness. High-frequency data through June confirm a softening in momentum into the second quarter of 2023.

(Source: <https://www.imf.org/-/media/Files/Publications/WEO/2023/Update/July/English/text.ashx>)

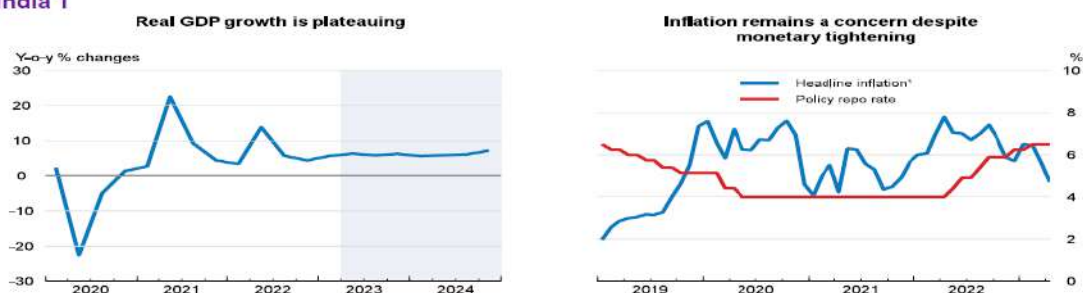
INDIAN ECONOMY

Weak global demand and the effect of monetary policy tightening to manage inflationary pressures will constrain the economy in FY 2023-24, limiting real GDP growth to 6%. Moderating inflation and monetary policy easing in the second half of 2024 will help discretionary household spending regain momentum. This, along with improved global conditions, will help economic activity to accelerate, with growth of 7% in real GDP in FY 2024-25.

Despite an impressive growth and development record, daunting challenges remain. Creating good jobs is the most promising pathway to reduce poverty, which is particularly high in the female population. Increasing investment in education and vocational training, and updating labour laws, would help to achieve this objective. India is particularly vulnerable to extreme heatwaves and must make progress in mobilising resources for investment in the green economy.

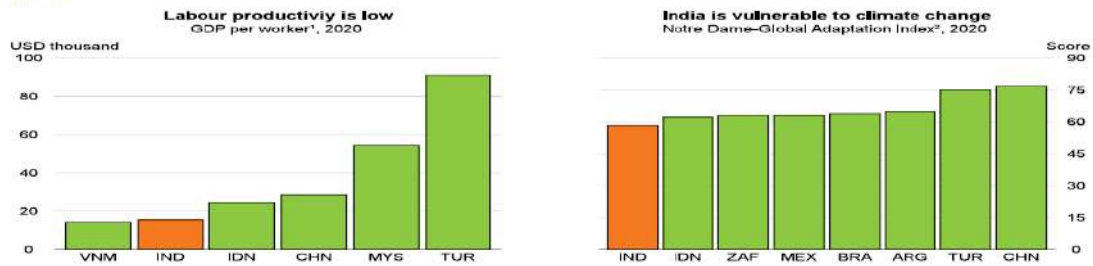
Moderating demand and high inflation have slowed economic activity FY 2022-23 ended on a positive note, due to higher-than-expected agriculture output and strong government spending. However, high inflation, in particular for energy and food, and the ensuing monetary tightening to anchor expectations are weighing on purchasing power and household consumption, particularly in urban areas. Tighter financial market conditions are reflected in weakening credit-supported demand for capital goods, a good proxy for business investment. The merchandise trade deficit was 40% larger in FY 2022-23 than in FY 2021-22, with trade in petroleum accounting for over two-fifths of the deterioration. Although services export growth remains brisk and the sectoral surplus rose by 35%, it is insufficient to offset the imbalance in goods’ trade. Low labour productivity is affecting the competitiveness of “Made in India” goods and participation in global value chains. The current account deficit narrowed in the October-December quarter to 2.2% of GDP, from 2.7% in the same period in FY 2021-22. Headline inflation has fallen below 6% (the central bank’s upper bound of the tolerance band) since March 2023, mostly due to lower food prices, as well as base effects. Employment and wage estimates suggest improving labour market conditions in rural areas, while export-oriented service firms report increasing difficulties filling vacancies.

India 1



1. Headline inflation refers to the change in price of all goods in the basket. OECD seasonal adjustment based on monthly consumer price index (index 2012 = 100) from the Ministry of Statistics and Programme Implementation (MOSPI).
Source: OECD Economic Outlook 113 database; CEIC; and RBI.

India 2



1. GDP per worker at constant prices using 2017 PPP.

2. The Notre Dame-Global Adaptation Index is a composite indicator which summarises two sub-indices: 1) a country's vulnerability to climate change and other global challenges and 2) a country's readiness to improve resilience. The index is recalculated based on the best performing country's score (Norway = 100).

Source: APO Productivity Databook 2022; and University of Notre Dame, Notre Dame Global Adaptation Initiative.

Domestic growth prospects are strongly influenced by global developments. India has seized the opportunity of discounted Urals oil, which has increased Russia's share in its energy imports. The sourcing of fertilisers from Russia has also increased considerably, more than doubling in volume in the case of urea. Overall, Indian imports from Russia rose from USD 9.9 billion (1.6% of total imports) in FY 2021-22 to USD 46.2 billion (6.5%) in FY 2022-23.

Macroeconomic policies remain restrictive

Monetary policy is focused on anchoring inflation expectations and bringing headline inflation consistently within the 2-6% tolerance band. A long cycle of policy rate increases came to a halt in April. Following one further small increase, rates are expected to remain unchanged until the end of the calendar year, when evidence will confirm whether core inflation, which is less sensitive to weather conditions and geopolitical tensions, has durably diminished. The projections assume mild interest rate declines from mid-2024.

During the projection period, the priority for fiscal policy is to control government debt, so as to keep it at sustainable levels, reduce interest payments, and thereby free resources for public investment in physical and human capital and initiatives to adapt to population aging. The Pradhan Mantri Garib Kalyan Anna Yojana scheme provided free foodgrains to eligible beneficiaries during the pandemic, but targeting was imprecise – as testified by the number of beneficiaries (820 million), well in excess of most estimates of the poor population (between 400 and 500 million) – and the cost excessive. Its suppression in 2023 reinforces the need to update the 2011 Census in order to guarantee coverage of eligible families. The next 25 years until the 2047 centenary of Independence will be crucial for India to fight poverty and the government strategy (so-called Amrit Kaal) will require a large increase in capital investment outlays.

The economy will not escape the global slowdown

After reaching 7.2% in FY 2022-23, real GDP growth is expected to slow to 6% in FY 2023-24, before rising to 7% in FY 2024-25. While indicators suggest that India's growth is stable for now, headwinds from the impact of rapid monetary policy tightening in the advanced economies, heightened global uncertainty and the lagged impact of domestic policy tightening will progressively take effect. With slower growth, inflation expectations, housing prices and wages will progressively moderate, helping headline inflation converge towards 4.5%. This will allow interest rates to be lowered from mid-2024. The trade restrictions (including export bans on various rice varieties) imposed in 2022 to fight inflation are assumed to be withdrawn. The current account deficit will narrow, reflecting abating import price pressures.

Most risks to the projections are tilted to the downside. While banks' solvency ratios and financial results have improved and the authorities have enhanced loan-loss provisioning and established a 'bad bank', any deterioration of banks' asset quality could threaten macro-financial stability. In the run-up to the 2024 elections, fiscal consolidation may be delayed, and the conclusion of trade agreements may become more difficult. A potentially below-normal monsoon season could also impact growth. Declining geopolitical uncertainty, on the other hand, would boost confidence and benefit all sectors, as would a faster-than-expected conclusion of free-trade agreements with key partners and the incorporation therein of services.

Climate change and gender gaps require targeted policies

More than half of the Indian population lives in the Indo-Gangetic Plain and is exposed to the increasingly frequent and extreme heatwaves caused by climate change. It is estimated that almost 100 000 extra lives are lost every year due to hot weather and the flooding that can follow. The economic costs are also large, including labour losses, a meagre wheat harvest, greater livestock mortality and power outages. Reducing global greenhouse gas emissions, including in India, will help limit such losses in the long term. However, measures that can immediately reduce the impact of extreme weather events are also needed, such as improved infrastructure to prevent flooding. Sustainable development also requires further progress in gender equality across many dimensions, including access to health, education and capital. Impressive results have been attained, for instance in financial inclusion, but substantial gaps remain. Policy formulation and execution should fully incorporate gender considerations and specific indicators. Enhanced policy efforts to increase childcare assistance, vocational training and life-long education for working women would also be welcome. Better enforcement of the land rights of women would strengthen their economic position and, by making it possible to use this asset as collateral, may also facilitate investments in climate mitigation and adaptation.

(Source: <https://issuu.com/oecd.publishing/docs/india-oecd-economic-outlook-june-2023?fr=sNDBIZDUwNTY2MTA>)

Road Ahead

In the second quarter of FY 2022-23, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2022. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in FY 2022–23 (until August 2022), stood 46.8% higher than the same period last year. The ratio of revenue expenditure to capital outlay decreased from 6.4 in the previous year to 4.5 in the current year, signaling a clear change in favour of higher-quality spending. Stronger revenue generation as a result of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Despite the continued global slowdown, India's exports climbed at the second highest rate this quarter. With a reduction in port congestion, supply networks are being restored. The CPI-C and WPI inflation reduction from April 2022 already reflects the impact. In August 2022, CPI-C inflation was 7.0%, down from 7.8% in April 2022. Similarly, WPI inflation has decreased from 15.4% in April 2022 to 12.4% in August 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

(Source: <https://www.ibef.org/economy/indian-economy-overview>)

GLOBAL PHARMACEUTICALS INDUSTRY

Pharmaceuticals Market size was valued at USD 209.85 billion in 2021 and is poised to grow from USD 222.4 billion in 2022 to USD 352.98 billion by 2030, growing at a CAGR of 5.9% in the forecast period (2023-2030). Pharmaceuticals are any kind of drug that is used for medical purposes. Pharmaceuticals are drug-containing products in specific dosages that can be used for healthcare purposes. People are increasingly becoming cautious over their life and health. This acts as a driver for this market. Even during the Covid - 19 pandemic, while all other industries were bleeding money, the pharmaceutical companies that developed vaccines for the virus continued to thrive even in a very unstable state of the economy. It is expected that the sector will continue if there are people. The pharmaceutical industry has experienced a significant shift due to advancements in technology, cost-effective manufacturing methods, and increased investment. These factors have had a positive impact on market growth. The implementation of robotic technology and Artificial Intelligence (AI) has led to a reduction in manufacturing floor downtime and product waste. These technologies have improved efficiency and productivity in pharmaceutical manufacturing processes.

With about 46% of the market share, North America was the largest market for pharmaceuticals in the global pharmaceuticals market in 2021. The Asia Pacific was the second largest region making up more than 26% of the global pharmaceuticals market. Although the need for medicines is much greater in Africa, it holds the smallest market share in the global pharmaceuticals market.

Global Pharmaceuticals Market Driver:

Growing aging population

According to the Bureau of Census, the proportion of the world's population aged 65 and over has increased from 8% in 2015 to 9% in 2021. This is an important driving force for the market. Improved living standards combined with a constantly expanding net population are causing a massive change in global demography, with many nations facing a substantial increase in the percentage of old residents. Indeed, the United Nations predicts a 56% growth in the 60-plus age group between 2015 and 2030. While longer lifespans provide several benefits to individuals and society, they exert tremendous strain on global healthcare systems. Furthermore, the increase in the patient pool has driven the demand for medicines to treat these diseases and has had a significant impact on market growth during this period.

Pharmaceuticals Market Restraint

Lack of skilled labour and fluctuating raw material cost

Market growth was limited due to a severe shortage of skilled workforce for developing drugs that require specialized skill sets. These skillsets are limited to some research organizations and medical equipment. Furthermore, the fluctuating prices of raw materials is one of the restraints hindering the growth of global pharmaceuticals market.

(Source: <https://www.skyquestt.com/report/pharmaceuticals-market>)

GLOBAL MCC MARKET OUTLOOK

The global microcrystalline cellulose (mcc) market was valued at \$401.1 million in 2021, and is projected to reach \$712.9 million by 2031, growing at a CAGR of 5.9% from 2022 to 2031.

Microcrystalline cellulose is an odourless, fine white powder, and a purified form of cellulose, which is derived from the pulp of fibrous plant material. It is a depolymerized cellulose obtained by treating alpha-cellulose with mineral acids and acid hydrolysis by using 2M hydrochloric acid at 105 degrees Celsius for 15 min. It is widely used as an anti-caking agent, texturizers, an emulsifier, and binding agent. Microcrystalline cellulose finds a wide range of applications in pharmaceuticals, food & beverages, cosmetics, textiles, and others.

The rising population across the globe, increase in disposable income among people, and rapid shift in the consumer preference for packaged food have enhanced the performance of the microcrystalline cellulose market. Moreover, an increase in food processing activity has escalated the food packaging industry.

Market Dynamics

1. Drivers:

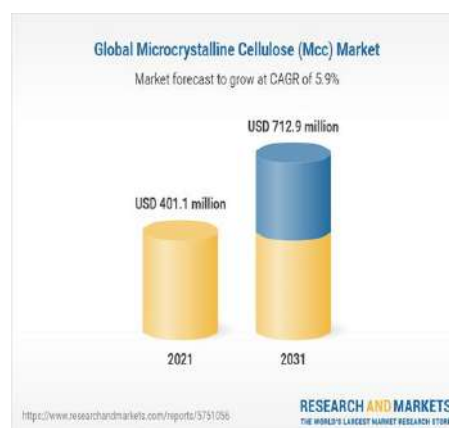
- Impeded growth of microcrystalline cellulose in the pharmaceutical industry.
- Robust demand for microcrystalline cellulose in personal care and cosmetic industry.

2. Restraints

- Availability of substitute for specific food and & beverage and pharmaceutical industry.

3. Opportunities

- Surge in the demand for microcrystalline cellulose in the food and beverages industry.



Key Market Segments

1. By Drying Process

- Bulk Drying
- Spray Drying

2. By Application

- Pharmaceutical
- Food and Beverage
- Cosmetics and Personal Care

3. By Source Type

- Wood-Based
 - Non-wood based
4. The regional markets for microcrystalline cellulose (MCC) industry can be divided into North America, Europe, the Asia Pacific, Latin America, and the Middle East and Africa.

Asia Pacific to Emerge as the Leading Market for Microcrystalline Cellulose (MCC)

The Asia Pacific is emerging as the market leader for the microcrystalline cellulose (MCC) industry. This is attributed to the fast-growing population in the developing economies. The disposable income of households has been rising in countries such as India and China, along with the surging demand for personal care products in the region, which is providing a thrust to market growth of MCC. North America is also predicted to witness significant growth due to the large population base with obesity. This is expected to boost the demand for healthy food items with minimal fat content, hence accelerating the microcrystalline cellulose industry.

(Source: <https://www.globenewswire.com/en/news-release/2023/05/23/2674584/28124/en/Global-Microcrystalline-Cellulose-Market-Report-to-2031-Robust-Demand-for-Microcrystalline-Cellulose-in-the-Personal-Care-and-Cosmetic-Industry-Drives-Growth.html>)

The emergence of pharmaceutical and food and beverages plants across the globe is projected to drive the market

Key factors such as growing population coupled with advancement in the technology, and well-established pharmaceutical industry have enhanced the performance of microcrystalline cellulose market. Microcrystalline cellulose is one of the most important excipients widely used in tableting due to its excellent binding properties in the dry state. This may act as one of the key drivers responsible for the growth of the microcrystalline cellulose market in the growing pharmaceutical sector. Furthermore, growth of the global microcrystalline cellulose market is driven by increase in demand for microcrystalline cellulose in the food processing industry in developing countries, such as China, India, and Brazil. The processed food industry has been using microcrystalline cellulose to produce low fat dairy products, which is expected to boost the microcrystalline cellulose market.

High production cost and availability of substitute is expected to act as challenging factors for microcrystalline cellulose market.

However, high manufacturing and production costs of microcrystalline cellulose is expected to hinder the market. In addition, availability of specific substitutes for microcrystalline cellulose such as carboxymethyl mcc, kappa-carrageenan, and others hamper the market growth.

Growing consumer demand for personal grooming products has driven the potential sales of the microcrystalline cellulose market

On the contrary, rapid increase in the population in both developed & developing economies, rise in import & export of various cosmetics & skincare products, up-gradation in technology, and increased focus on the cosmetic sector have increased the demand for microcrystalline cellulose, where it is used as a texturizer and binding agent in the formulation of various skincare and personal care products. In addition, microcrystalline cellulose has a wide range of applications in the medical sector. For instance, NB Entrepreneur offers purified SANCEL microcrystalline cellulose for the pharmaceutical industry. These factors are anticipated to offer remunerative opportunities for the microcrystalline cellulose market during the forecast period.

The Europe region accounted for a major market share in 2021 with 5.5% share in the global market and is projected to grow at the highest CAGR during the forecast period and. The European microcrystalline cellulose market is one of the developed markets. This region has been the epicenter of microcrystalline cellulose consumption, as consumers in this region prefer to have low-fat dairy products. This has driven the market growth in the region.

Furthermore, according to data published by, Cosmetics Europe, Germany's cosmetics and personal care industry is valued at €13.6 billion in 2021 and is expected to grow during the forecast period. Microcrystalline cellulose has a wide range of applications in the cosmetics and personal care industry where it is widely used for the formulation of skin care products and used as an abrasive & absorbent in the formulation of lotions, creams, capsules, and others. This may act as one of the key drivers responsible for the growth of microcrystalline cellulose in the growing cosmetics industry in the European region.

In 2021, the wood-based segment was the largest revenue generator, and is anticipated to grow at a CAGR of 85% during the forecast period. This is attributed to the fact that, rising population across the globe, increase in disposable income among people, and rapid shift in the consumer preference for several types of fruit juices & carbonated drinks have enhanced the performance of the food and beverages industry. It is widely used as a stabilizer, thickening agent, and anti-caking agent during the production process of processed food. Wood-based cellulose can be consumed as a natural source of dietary fiber. This is projected to drive the growth of the wood-based microcrystalline cellulose market during the forecast period.



In 2021, the spray drying segment was the largest revenue generator, and is anticipated to grow at a CAGR of 77% during the forecast period. Spray drying helps in improving the DC properties of pharmaceutical excipients and APIs and it also influences tableting at the distinct stages of compression, packing and rearrangement, compact formation, and ejection. Owing to this, the demand for spray-dried microcrystalline cellulose has increased in the pharmaceutical industry. Moreover, the demand for pharmaceutical products in emerging economies such as Brazil, Russia, India, China, and South Africa (BRICS); and Mexico, Indonesia, South Korea, and Turkey (MIST) has witnessed growth owing to the presence of large population base, rise in prosperity, and increased life expectancy in these countries. This is expected to fuel the demand for spray-dried microcrystalline cellulose, thereby boosting the market's growth.

By application the market is divided into pharmaceutical, food and beverages, cosmetics and personal care, and others. The pharmaceutical segment is dominated the global market, in terms of revenue in 2021 with 36% share in the global market. The major advantage of using microcrystalline cellulose is its binding capacity, chemical purity, and low reactivity. This is projected to drive the market in the coming years. Furthermore, enhanced binding capacity and highly absorbent characteristics of microcrystalline cellulose have enhanced its production capacities. For instance, DuPont and Pharmaceutical Technology are offering a wide range of microcrystalline cellulose-based products, which in turn drives the market; thus, offering new opportunities for future growth.

The microcrystalline cellulose market is segmented on the basis of source type, drying process, application, and region. By source type, it is bifurcated into wood- and non-wood-based. By drying process, the market is categorized into bulk-drying and spray drying. By application, it is divided into pharmaceutical, food & beverage, cosmetics & personal care, and others. Region-wise, the market is studied across North America, Europe, Asia-Pacific, and LAMEA.

(Source: <https://www.alliedmarketresearch.com/microcrystalline-cellulose-market>)

Key Industry Players in the Global Microcrystalline Cellulose (MCC) Market

The report gives a detailed analysis of the following key players in the global microcrystalline cellulose (MCC) market, covering their competitive landscape, capacity, and latest developments like mergers, acquisitions, and investments, expansions of capacity, and plant turnarounds:

- DuPont de Nemours, Inc.
- Asahi Kasei Corporation
- Sigachi Industries Limited
- Accent Microcell Ltd.
- DFE Pharma GmbH & Co.KG
- Others

(Source: <https://www.expertmarketresearch.com/reports/microcrystalline-cellulose-mcc-market>)

INDIAN PHARMACEUTICALS INDUSTRY

India is the largest provider of generic drugs globally and is known for its affordable vaccines and generic medications. The Indian Pharmaceutical industry is currently ranked third in pharmaceutical production by volume after evolving over time into a thriving industry growing at a CAGR of 9.43% since the past nine years. Generic drugs, over-the-counter medications, bulk drugs, vaccines, contract research & manufacturing, biosimilars, and biologics are some of the major segments of the Indian pharma industry. India has the most number of pharmaceutical manufacturing facilities that are in compliance with the US Food and Drug Administration (USFDA) and has 500 API producers that make for around 8% of the worldwide API market.

MARKET SIZE

Market size of India pharmaceuticals industry is expected to reach US\$ 65 billion by 2024, and ~US\$ 130 billion by 2030. According to the government data, the Indian pharmaceutical industry is worth approximately US\$ 50 billion with over US\$ 25 billion of the value coming from exports. About 20% of the global exports in generic drugs are met by India.

India is among the top 12 destinations for biotechnology worldwide and 3rd largest destination for biotechnology in Asia Pacific. In 2022, India's Biotechnology industry has crossed US\$ 80.12 billion, growing 14% from the previous year. The Indian pharmaceutical industry has seen a massive expansion over the last few years and is expected to reach about 13% of the size of the global pharma market while enhancing its quality, affordability, and innovation.



EXPORTS

Pharmaceutical is one of the top ten attractive sectors for foreign investment in India. The pharmaceutical exports from India reach more than 200 nations around the world, including highly regulated markets of the USA, West Europe, Japan, and Australia. India supplied around 45 tonnes and 400 million tablets of hydroxychloroquine to around 114 countries globally.

India's drugs and pharmaceuticals exports stood at Rs. 2,08,231 crore (US\$ 25.3 billion) for FY23, as per the data by Pharmexcil. Exports of Drugs & Pharmaceuticals was estimated to be at US\$ 2.48 billion in March, 2023 and shared 6.47% of the total exports of the month.

India is the 12th largest exporter of medical goods in the world. Indian drugs are exported to more than 200 countries in the world, with US being the key market. Generic drugs account for 20% of the global export in terms of volume, making the country the largest provider of generic medicines globally. Indian drug & pharmaceutical exports stood at US\$ 24.60 billion in FY22 and US\$ 24.44 billion in FY21. Indian drug & pharmaceutical exports stood at US\$ 2.19 billion in September 2022.

GOVERNMENT INITIATIVES

Some of the initiatives taken by the Government to promote the pharmaceutical sector in India are as follows:

- **As per the Union Budget 2023-24:**
 - A mission to eliminate sickle cell anemia by 2047 will be launched. It would involve raising awareness, conducting a comprehensive screening of seven crore individuals in the impacted tribal regions between the ages of 0 and 40, and providing counselling through coordinated efforts.
 - For innovation in the pharmaceutical sector, through centres of excellence, a new initiative to encourage pharmaceutical research and innovation will be implemented. The government persuades business to spend money on R&D in a few chosen priority fields. At the grassroots level, government has also announced on building 157 nursing colleges in co-location with government medical colleges.
 - The Union Cabinet, on April 26, 2023, approved the National Medical Devices Policy, 2023. The National Medical Devices Policy, 2023 is expected to facilitate an orderly growth of the medical device sector to meet the public health objectives of access, affordability, quality and innovation.
- **Scheme for Development of Pharma industry – Umbrella Scheme:**
 - The Department of Pharmaceuticals has prepared an Umbrella Scheme namely 'Scheme for Development of Pharma industry'. Which comprises of the following sub schemes:
 - Assistance to Bulk Drug Industry for Common Facilitation Centres
 - Assistance to Medical Device Industry for Common Facilitation Centres
 - Assistance to Pharmaceutical Industry (CDP-PS)
 - Pharmaceutical Promotion and Development Scheme (PPDS)
 - Pharmaceutical Technology Upgradation Assistance Scheme (PTUAS)
- **As per the Union Budget 2022-23:**
 - Rs. 3,201 crore (US\$ 419.2 million) has been set aside for research and Rs. 83,000 crore (US\$ 10.86 billion) has been allocated for the Ministry of Health and Family Welfare.
 - Rs. 37,000 crore (US\$ 4.83 billion) has been allocated to the 'National Health Mission'.
 - Rs. 10,000 crore (US\$ 1.28 billion) has been allocated to Pradhan Mantri Swasthya Suraksha Yojana.
 - The Ministry of AYUSH has been allocated Rs. 3,050 crore (US\$ 399.4 million), up from Rs. 2,970 crore (US\$ 389 million).
- In March 2022, under the Strengthening of Pharmaceutical Industry (SPI) Scheme, a total financial outlay of Rs. 500 crore (US\$ 665.5 million) for the period FY22 to FY26 were announced.

To achieve self-reliance and minimise import dependency in the country's essential bulk drugs, the Department of Pharmaceuticals initiated a PLI scheme to promote domestic manufacturing by setting up greenfield plants with minimum domestic value addition in four separate 'Target Segments' with a cumulative outlay of Rs. 6,940 crore (US\$ 951.27 million) from FY21 to FY30.

(Source: <https://www.ibef.org/industry/pharmaceutical-india>)

OUR BUSINESS

Some of the information in this chapter, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 23 of this Draft Letter of Offer, for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 102 and 105 of this Draft Letter of Offer respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Audited Financial Statements, for details refer to “Restated Financial Information” on page 102 of the Draft Letter of Offer.

COMPANY’S ORIGIN

Our Company was incorporated on April 10, 2012, with the primary focus on manufacturing of the high-quality cellulose-based excipients which predominantly find application in the Pharmaceutical, Nutraceutical, Food, Cosmetic and other industries. Prior to the incorporation of company, our Promoters i.e. Mr. Ghanshyam Arjanbhai Patel, Mr. Nitin Jaswantbhai Patel and Mr. Vasant Vadilal Patel were operating the similar business in form of a partnership firm formed in the year 2002 under the name and style of “M/s Accent Microcell Industries”. This Partnership Firm was primarily in the manufacturing of variety of excipients, driven by a strong desire to expand and propelled by the opportunities in the pharmaceuticals/excipients sector, the idea behind forming a company aroise and Accent Microcell Private Limited was incorporated on April 10, 2012. In the year 2012, Accent acquired all the Assets and Liabilities of the Partnership Firm through “Slump Sale Agreement” which was executed in June 2012.

This acquisition has not only provided us with the valuable experience of our promoters in the pharmaceuticals industry but has also brought several advantages, including:

- Access to a fully operational production Unit i.e., Unit-I (Pirana) which was used for manufacturing of variety of excipients such as Magnesium stearate (Mg. St.), Microcrystalline Cellulose (MCC).
- This unit was well equipped for the production of both Non-spray Dryer and spray dryer products.
- This Acquisition has brought the advantage of global presence in countries like Germany, Republic of Korea, Brazil, USA and UK etc.
- Acquired an in-house microbial lab adhering to International Standards and GMP certificates which help in targeting giant Pharma players in the industry.

BUSINESS OVERVIEW

Our Company is one of the **Global leading manufacturers of Microcrystalline Cellulose (MCC)** (*Source: Research Report on Global Microcrystalline Cellulose (MCC) Industry, refer link <https://www.expertmarketresearch.com/articles/top-5-companies-in-the-global-microcrystalline-cellulose-mcc-market>). Our Company has carved a niche in the production of high-quality cellulose-based excipients, that meet international quality standards. With our two state of the art manufacturing facilities located at Pirana Road, Ahmedabad and Dahej, SEZ (Bharuch), we have developed a strong global sales and distribution network. We are serving customers across India and in more than 75 countries including USA, Canada, Germany, UK, Japan, China, Australia, Korea, Netherlands, Turkey, Vietnam, Italy, Indonesia, Poland, Egypt, France, Thailand, New Zealand, Brazil, Russia, Mexico, Chile, Zimbabwe, Denmark, Greece and many others.

Presently, we majorly manufacture Microcrystalline Cellulose (“MCC”). MCC is an odourless, fine white powder & a purified form of cellulose, which is derived from refinement of highly purified wood pulp. It is widely used as texturizer, anticaking agent, binder, lubricant, a bulking agent, diluent which finds a wide range of applications in Pharmaceutical, Nutraceutical, Food, Cosmetic and other industries. We manufacture 22 grades of MCC, with particle sizes ranging from 20 microns to 180 microns. The major grades of MCC manufactured and marketed by our Company are branded under the name “ACCEL”. Besides “ACCEL” we also sell our products under the name “ACROCELL”, “MACCEL” and “VINCEL”.

During the production process, the various grades of MCC are distinguished using different drying techniques used by our Company. We manufacture products by two drying techniques which are branded under different brand names. In our company MCC, MCC Spheres, SMCC, MCC with CMC are manufactured with spray dried product which are branded as “ACCEL” and They are known for its premium quality due to its physical properties such as direct compression, particle size, density, flow, tableting properties etc. On the other hand MCC, SMCC are manufactured with spin flash dried which are branded as “VINCEL”.

We also manufacture co-processed excipients. Co-processed excipients are unique formulations created by combining two or more individual excipients to achieve specific properties or functionalities that cannot be attained with any single excipient alone. To meet the rising demand for co-processed excipients, we offer “ACCEL SMCC” as product, which is a co-processed blend of Microcrystalline Cellulose (MCC) & Colloidal Silicon Dioxide and we also offer “RC” as a product, which is a co-processed blend of Microcrystalline Cellulose with Carboxy Methyl Cellulose, to cater the growing market of the co-processed excipients. We distinguish our product categories as ACCEL, ACROCELL, MACCEL and RC.

We are a quality-focused Company and are committed to maintaining quality standards at all steps of the manufacturing cycle. The Company's manufacturing facilities are equipped with a quality control and assurance division, which conducts all necessary tests on the materials received, including raw materials used in manufacturing as well as finished goods. We have dedicated quality assurance teams who ensure compliance with our quality management systems and statutory and regulatory compliances. Quality has always been a focus area for management and is part of our organizational corporate goals. Our quality control process has resulted in certifications and approvals such as EXCiPACT, US-DMF, GMP, ISO 9001:2008, KOSHER, HALAL & USP/NF, EP, BP, JP, IP, FCC, FSSC-22000, FSSAI etc. reaffirming our dedication to delivering top-notch quality.



PRODUCTION UNITS

Accent have established a robust manufacturing infrastructure, supported by an efficient supply chain that caters to the needs of various Indian and global clientele. With two state-of-art manufacturing facilities located in Pirana (Unit -I), Dahej SEZ (Unit -II), the Company serves various categories of clients from different industries. The Company is developing another facility at Nayaka, Kheda, which is expected to commercialised by March 2025. For further details please refer to the chapter titled “*Object of the Issue*” at page no 47 of this Draft Letter of Offer.

Unit I i.e. located at Pirana manufactures products mainly caters to the domestic market which manufacture MCC, SMCC, PC, MCC with CMC. Unit II i.e. located in Dahej SEZ is set up in special economic zone which is purely engaged in the manufacture of MCC, MCC sphere, SMCC, MCC with CMC which is mainly exported to overseas customers and distributors. Our Company foresees an increase in demand in the existing market where our company serves for Cross Carmellose Sodium (CCS), Sodium Starch Glycolate (SSG) and Carboxymethylcellulose (CMC). To capture this growing demand, company has ongoing CAPEX for production capacity of CCS, SSG and CMC.

The Company will utilize the Net Proceeds of this Issue for setting up new plant for manufacturing of Microcrystalline Cellulose at Nayaka in the district of Kheda.

Our total existing installed capacity from two facilities i.e. Unit-I and II is 9200 metric tonnes per annum and with our ongoing capex, we intend to add 2400 metric tonnes per annum and 12,000 MT per annum from present fund raising plans which will make the total capacity of our Company's product portfolio as 23600 metric tonnes per annum. These will also enables us to deliver products that are specifically tailored to customer needs and help us in entering into untapped regions. For further details, please refer to the chapter titled "*Object of the Issue*" at page 47 of this Draft Letter of Offer.

Pictures of both the Units are provided below: -

Unit: 1 (Pirana)



Unit: 2 (Dahej, SEZ)



Capacity and Capacity Utilisation

Set forth below is the detail of Capacity utilization of our manufacturing units for last three F.Y details:

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
A. Dahej			
Installed Capacity (MTPA)	7200	6000	6000
Production Capacity (MTPA)	5941	5700	5400
Capacity Utilisation (%)	82.51	95	90
B. Pirana			
Installed Capacity (MTPA)	2000	2,000	2,000
Production Capacity (MTPA)	2000	2,000	2,000
Capacity Utilisation (%)	100	100	100

OUR COMPANY OFFERS 7 PRODUCTS, WHICH ARE CATEGORIZED UNDER 4 BRAND NAMES AS FOLLOWS:

ACCEL/ VINCEL

- Microcrystalline Cellulose (MCC) – Spray Dried/Bulk Dried (Spine Flash Dried)
- Microcrystalline Cellulose Spheres (MCC Spheres)
- Silicified Microcrystalline Cellulose (SMCC)
- Powdered Cellulose (PC)
- Microcrystalline Cellulose with Carboxy Methyl Cellulose (Co-Processed)

ACROCELL

- Croscarmellose Sodium (CCS)

MACCEL

- Magnesium Stearate (Mg. St.)

Our revenue break-up (as per the restated standalone financials of the Company) for the preceding three fiscals and for the period ended September 30, 2024 based on the revenue received from the sale of our products in different industries is as under:

(Amount ₹ in Lakhs)

Industry served	For the period ended on September 30, 2024		Financial year ended on March 31, 2024		Financial year ended on March 31, 2023		Financial year ended on March 31, 2022	
	Amount	In %	Amount	In %	Amount	In %	Amount	In %
Pharmaceuticals	9701.26	76.97	19659.89	75.40	14,672.98	71.86	12,029.86	72.6
Nutraceuticals	1418.36	11.25	3786.12	14.52	2,138.19	10.47	1,594.91	9.62
Food	1155.64	9.17	2131.16	8.17	3,607.59	17.67	2,946.36	17.78
Others and technical grades	328.41	2.61	496.49	1.90	-	-	-	-
Total	12,603.67	100.00	26,073.65	100.00	20,418.76	100.00	16,571.13	100.00

Product Wise Revenue breakup of our Company as per Restated Financial Information for the preceding three fiscals and for the period ended September 30, 2024 is as under:

(Amount ₹ in Lakhs)

Particular	Period ended on September 30, 2024	Financial year ended on March 31, 2024	Financial year ended on March 31, 2023	Financial year ended on March 31, 2022
MCC	11,603.73	23,955.25	18,709.07	15,408.40
CCS	727.22	1,603.04	1,352.18	779.72
MS	272.09	505.02	357.51	383.01
Scrap Sales	0.63	10.35	-	-
Total	12,603.67	26,073.65	20,418.76	16,571.13

Details of Each Product

1. Accel - Microcrystalline Cellulose (MCC)

We are engaged in manufacturing of Microcrystalline Cellulose (“MCC”). MCC is basically the outcome of the refinement of highly purified wood pulp. MCC is used as a texturizer, anticaking agent, extender, fat substitute,

binder, filler, disintegrant, flow aid, lubricant, sugar coating additive and a bulking agent in food production. Its silent features can also be mentioned as superior compressibility, high dilution potential, optimum particle size distribution, low friction coefficient, good flow ability and fast disintegration.

MCC is pure and does not contain organic or inorganic contaminants. MCC is considered to be the finest element for tableting as it abolishes all formulation-related problems. As an alternative to Carboxymethyl Cellulose and Lactose, MCC is used in plaque assays for counting viruses. Also, to mention, the most common form of MCC is used in vitamin supplements and tablets.

We manufacture 22 grades of MCC, with particle sizes ranging from 20 microns to 180 microns having varied applications in the pharmaceutical, nutraceutical, Food, Cosmetic, and other industries.

**2. Accel - Microcrystalline Cellulose Spheres (MCC Spheres)
For Pharmaceuticals & Nutraceuticals**

MCC spheres are carriers for Potential Apis and nutraceuticals for targeted drug delivery system, can be filled into capsules or compacted into tablets. While the tight particle size distribution maximizes content uniformity.

Characteristics	Product
<ul style="list-style-type: none"> Spherical In Shape 100 % Cellulose Spheres Low Moisture Feasible For Coating in Fluid bed dryers High Surface Area Uniform Coating of API Better Compressibility 	<ul style="list-style-type: none"> ACCEL MCC Spheres 100 ACCEL MCC Spheres 200 ACCEL MCC Spheres 350 ACCEL MCC Spheres 500 ACCEL MCC Spheres 700 ACCEL MCC Spheres 1000

3. Accel - Silicified Microcrystalline Cellulose (SMCC)

For Pharmaceuticals & Nutraceuticals

SMCC is a co-processed blend of Microcrystalline Cellulose (MCC) and Colloidal Silicon Dioxide by spray drying technology. It brings better flowability to MCC's excellent compaction. Its dual characteristics of brittle fracture as well as plastic deformation; leading to superior binding properties. It can even replace granulations, while reducing no. of required excipients.

ACCEL SMCC ⁵⁰	ACCEL SMCC ^{50LD}	ACCEL SMCC ^{90-HD 90}
<ul style="list-style-type: none"> High intrinsic flow Enhanced lubrication efficiency Superior binding properties Enhance blending efficiency Ideal for capsule manufacturing Improved properties like weight uniformity, friability, disintegrations, etc 	<ul style="list-style-type: none"> Low density Better for low dose drug formulation Flow improvement of crystalline blends 	<ul style="list-style-type: none"> Excellent compatibility Desired flow properties Good flow to direct compression API'S Increased production capacity Easy for dry blending in capsule Improved blending properties
	<p>ACCEL SMCC^{90LM}</p> <ul style="list-style-type: none"> Low moisture content, better compressibility of low moisture sensitive dugs, direct compression 	

For Cosmeceuticals & Personal Care

Microcrystalline Cellulose is derived from cellulose, a natural polymer found in plant cell walls. It is used as a bulking agent, stabilizer, texture enhancer, and oil-absorbing agent in various formulations. MCC helps enhancing the spread ability of creams, lotions, and powders.

accel¹⁰¹ <ul style="list-style-type: none"> • Free flowing, ideal for wet granulation • Works as a diluent 	accel¹⁰² <ul style="list-style-type: none"> • Larger particle size, ideal for scrubbing • Works as a diluent 	accel¹⁰⁷ <ul style="list-style-type: none"> • Finest particle size • Ideal for gelling
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4. ACCEL - Powdered Cellulose (PC)

For Pharmaceuticals & Nutraceuticals

Powdered Cellulose or Alpha Cellulose is a purified, mechanically disintegrated cellulose prepared from alpha-cellulose of fibrous plant materials. It is an odorless, tasteless, hydrophobic powder of various particle sizes, and forms - from flaky & coarse to fluffy & free flowing.

- Tablet diluent and filler in two-piece
- Hard capsules
- A bulking agent
- To increase the physical size of the dosage form
- Acceptable compression properties
- Reduce the sedimentation rate of oily suspension fills
- Suspending agent in aqueous suspensions
- Good for extrusion/spheronization

For Food, Bakery & Dairy

Powdered cellulose is an inert substance and is not degraded during digestion and has no appreciable absorption and is useful to provide dietary bulk.

- Anticaking Agent
- Used as a Binder
- Used as a Texturizer
- Works as a dietary fiber
- Used to control calory intake
- Used to provide firmness

For Cosmeceuticals & Personal Care

In cosmetics and personal care products, it is used as an absorbent, texturizer, and thickening agent. Powdered Cellulose helps improve product consistency, provides a smooth feel, and enhances the spread ability of products.

- Works as great absorbent
- Best thickener than other synthetics
- Can be used as a texturizer
- Is natural and non-irritating
- Can be used a bulking agent
- Has good compatibility

Usage in Textile & Leather

- Used as a sizing, leveling, and thickening agent
- Used as a hypoallergen
- Used to inhibit the growth of bacteria
- Best for making medical clothing, smooth, and soft clothing
- Can withstand climate changes
- Has long tenacity

Usage in Paper & Board

- Used as an antisticking agent
- Used as a natural filler
- Used to improve surface coating, ink absorption and print quality
- Used to enhance Texture & Bulk
- Is a naturally derived, sustainable material

5. ACROCELL - Croscarmellose Sodium (CCS)

For Pharmaceuticals & Nutraceuticals

CCS is an internally cross-linked polymer of sodium carboxymethyl cellulose and at Accent is available as ACROCELL. Possessing the nature of being cross-linked, it is insoluble, hydrophilic and highly absorbent. Being uniquely fibrous, it holds remarkable water wicking capabilities. CCS improves bioavailability of formulations through its drug dissolution and disintegration attributes. E468 cross-linked sodium carboxymethyl cellulose is commonly used as a food stabilizer and thickener, and it can also assist in emulsification in food applications.

CCS, is a cross-linked polymer of Carboxy Methyl Cellulose and Sodium. It appears as white, fibrous, free-flowing powder. With ACROCELL tablet may disintegrate appropriately, ultimate good dissolution and actives absorption / desired bioavailability.

Application of CCS

- Rapid disintegrator in pharmaceutical formulations for tablets, capsules and granules.
- CCS effectively combines with insoluble and filler binders such as MCC and DCP.
- It is preferable for non-starch base formulation products.
- CCS being a rapid disintegrator, tablet dissolution can be easily achieved.
- Efficient for low use of level.
- CCS works well for insensate hardness of tablets & finer dissolution stability for a long term.

ACROCELL

- Low concentration will beneficial.
- Desired disintegration of tablet
- Capillary action / wicking action

ACROCELL LM

- Better disintegration
- Ideal for low moisture sensitive drugs

6. MACCEL - Magnesium Stearate (MS)

For Pharmaceuticals & Nutraceuticals

MS acts a lubricant it provides a free flow to the blend throughout the manufacturing process. Thus, speeding up production. It also prevents molecular clumping which ensures accurate dosage form.

With its lubricating properties, MS prevents the ingredients from sticking to the machines during the compression of chemical powders into production of solid tablets thus speeding up production. MS is a sugar binder for candies and is also commonly used in baby foods.

The FDA classifies MS as a glidant or a granulating agent. MS functions in preventing molecular clumping thus ensuring accurate dosage of every pill. It is an inactive ingredient binding the active ingredients of a pill or a capsule. MS acts as a masking agent for taste & odour of active ingredients and helps prolong the shelf life of pharmaceuticals.

Application of MS

- Used as lubricant in tableting & pharmaceuticals
- Works as flattening agent in paints and varnishes
- Functions as stabilizer & lubricant in engineering & plastics
- Acts as soothing agent in talcum powder & other cosmetics
- Serves as emulsifying agent in cosmetics & anti-caking agent in foods

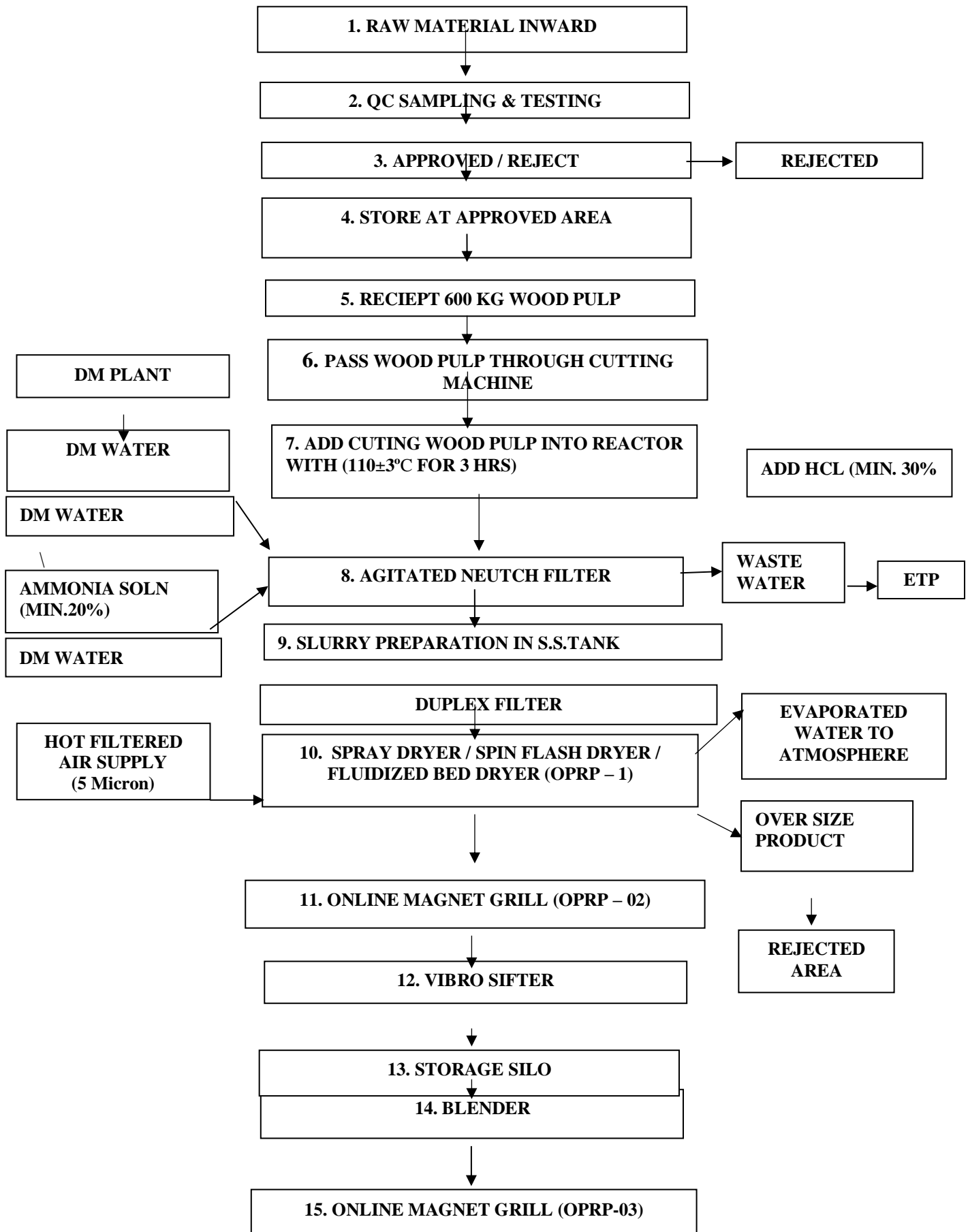
7. RC - Microcrystalline Cellulose with Carboxy Methyl Cellulose (Co-Processed)

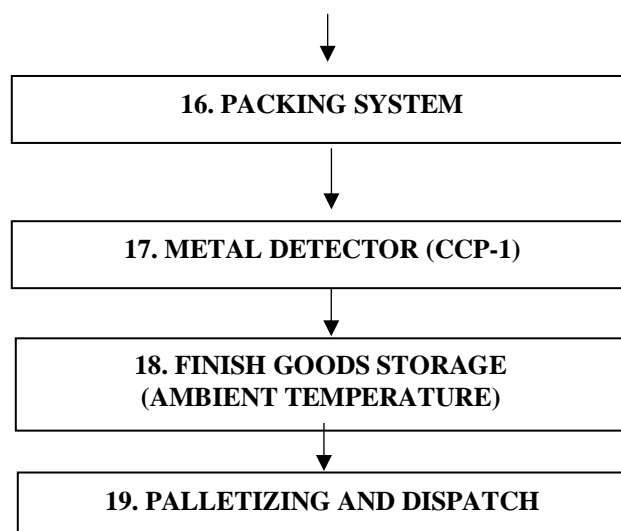
Our MCC with Carboxy Methyl Cellulose find applications across wide industries, including Pharmaceuticals & Nutraceuticals, Food, Bakery & Dairy, Cosmeceuticals & Personal Care, as well as Paints, Ceramics, Construction, and Cements.

Desired viscosity modifier in Suspensions as well as emulsions formulations:

<p>Characteristics</p> <ul style="list-style-type: none"> • Viscosity Modifier • Stabilizer 	<p>Product</p> <ul style="list-style-type: none"> • RC 581 • RC 591
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PROCESS FLOW CHART





TALENT BEHIND SUCCESS OF ACCENT:

Mr. Vijay Singh GM - Operation, Dahej SEZ
Mr. Dipen Shastry – Plant Head, Pirana

Our Competitive Strength

1. Expansion in domestic & overseas market (Geographic Diversification):

The Company is very aggressive in promoting its range of products in domestic & international market through participating in frequent visit to customers, digital marketing & advertisement at relevant platforms. In future, company will focus to expand its geographical reach in maximum countries by exploring unexplored potential & assured promotional venues.

With the help of our premium quality products, we have been able to create a long-standing market presence in India and internationally. We cater to various end users, merchants, distributors and exporters. We export our products to in more than 75 countries including USA, Canada, Germany and Others.

2. One of the leading manufacturers of MCC (cellulose based excipient) with over a decade experience.

We have a legacy of more than a decade in the cellulose-based excipient industry. We manufacture various excipients and market them under our brand names such as accel, maccel, etc. With over 10 years of continuous growth, two manufacturing facilities and consistent focus on delivering premium quality product, our Company is one of the *Global leading manufacturers of MCC* (Source: Research Report on Global Microcrystalline Cellulose (MCC) Industry, refer link <https://www.expertmarketresearch.com/articles/top-5-companies-in-the-global-microcrystalline-cellulose-mcc-market>).

3. Strategically located manufacturing facilities.

With a view to strategically expand our operations and ensure our market presence in domestic and international markets, we have set up two manufacturing facilities namely Pirana (“Unit I”) and Dahej, Gujarat (“Unit II”) which helps us provide timely, efficient and customized delivery of our products in terms with the specific demographic needs. Unit II is located in the SEZ which mainly caters to global markets. In addition to existing two units’ company has ongoing CAPEX for products named CCS, CMC and SSG from the initial funds raised vide IPO.

In order to meet growing demand for product named MCC, company intends to establish a new manufacturing facility from the net proceeds of this issue which will be located in Nayaka in the district of Kheda. For further details, please refer to the chapter titled “*Objects of the Issue*” at page 47 of this DLOF.

4. Government Incentives

Our company enjoys benefits from various export incentives. For exports originating from our Pirana unit, we have access to incentives through the Duty Drawback scheme and the RoDTEP which is available for both the existing units (Remission of Duties and Taxes on Exported Products) scheme. These incentives play a pivotal role in facilitating our company's export activities and expanding our international presence.

5. Strong supplier base for sourcing of raw materials/ products

Our Company has developed strong supply chain for the procurement of raw materials required for manufacturing our products. Mainly, our Company is engaged in the business of manufacturing MCC of various grades for which wood pulp in the form of wood pulp sheets is used as the primary raw material during our manufacturing process which are majorly imported from Canada, Hongkong, Singapore, Indonesia. While, we do not have any long-term contracts with any of our suppliers. However, we have maintained good relationships with our major suppliers. We believe our good relationships with our suppliers enable us to obtain good quality products within the prescribed timelines. We continually strive to maintain strong relationships with our suppliers in order to derive better insight into the markets for our raw materials, which helps us to manage our raw material supply chain, resulting in greater predictability of supply and, consequently, a greater ability to meet production schedules and achieve on time delivery for our customers. We have successfully leveraged the past experience of our management in maintaining effective supplier relationship.

6. Robust Quality and Service Standards

We maintain stringent quality standards in our manufacturing unit to ensure that our products consistently meet customer requirements. We have implemented comprehensive quality control processes for both raw materials and finished goods, aligning with internal and international quality standards. As part of our export operations, we adhere to the quality conditions and processes prescribed under the United States Pharmacopeia (USP), European Pharmacopoeia (EP), British Pharmacopoeia (BP), Japanese Pharmacopoeia (JP), and Indian Pharmacopoeia (IP). To oversee these processes effectively, we have a dedicated Quality Division that conducts necessary standard operating procedures (SOPs) and standard test procedures (STPs) on raw materials and finished products.

Our Quality Division rigorously checks and inspects raw materials and finished products to ensure that the desired level of quality is consistently achieved. They employ SOPs, STPs, and calibration techniques in our fully equipped in-house testing facility, which is equipped to meet the specifications required by the USP, BP, IP, and EP. To guarantee that the products we dispatch or sell are of the highest quality.

Key points:

- ✓ We have a fully established, well-equipped in-house quality control laboratory for comprehensive physical, chemical, and microbial testing of raw materials, in-process stages, and finished products.
- ✓ Our Quality Assurance (QA) and Quality Control (QC) departments are separate entities, ensuring adherence to best laboratory practices.
- ✓ All test methods are meticulously validated in accordance with pharmacopeial guidelines.
- ✓ Across the organization, we diligently follow SOPs and adhere to Good Documentation Practices (GDP) to maintain quality standards.

7. Quality Certifications

Our company proudly holds several quality certifications including EXCiPACT, US-DMF, GMP, ISO 9001:2008, KOSHER, HALAL & USP/NF, EP, BP, JP, IP, FCC, FSSC-22000, FSSAI, reaffirming our dedication to delivering top-notch quality. The Company has carved a niche in the production of high-quality products that meet international quality standards.

Our Business Strategy

1. Establishing new facility for manufacturing of Microcrystalline Cellulose:

With a view to strategically expand our operations and ensure our market presence in domestic and international markets, we have set up two manufacturing facilities namely Pirana (“Unit I”) and Dahej, Gujarat (“Unit II”) which helps us provide timely, efficient and customized delivery of our products in terms with the specific demographic needs. Unit II is located in the SEZ which mainly caters to global markets. In addition to existing two units’ company has ongoing CAPEX from the initial funds raised vide IPO which will add 2400 MT per annum. In order to meet growing demand for product named MCC, company intends to establish a new manufacturing facility from the net proceeds of this issue which will be located in Nayaka in the district of Kheda. With this, we intend to add capacity of 12,000 metric tonnes per annum to our existing product portfolio by present fund-raising plans which will result into overall capacity of company’s product portfolio to 23,600 MT per annum.

2. Diverse Product Portfolio & Quality Services:

We are engaged in manufacturing of MCC which is widely used as an excipient for finished dosages in the pharmaceutical industry, as a stabilizer, anti-caking agent, fat substitute and emulsifier in food industry and as a fat substitute, thickener and binder in cosmetics. Currently, we manufacture MCC of various grades particle size ranging from 20 microns to 180 microns at our manufacturing units. Furthermore, our company intended to manufacture new range of excipients namely CCS, SSG and CMC and higher grades of MCC at the Proposed Unit. We intend to increase our market share by exploring untapped markets by offering innovative value-added products, as part of our strategy to widen growth prospects. We shall also continue to explore opportunities in different regions and countries abroad to enhance our geographical reach.

3. Increasing our Global presence

Our income from exports grew at a CAGR of 21.46% from FY22 to FY24. With our global sales and distribution network, we are currently export our products to Seventy (75) countries including USA, Canada, Germany and others and plan to expand our export operations globally. Through a combination of increased capacities, reduced costs, wider range of product specifications and services adhering to global standards, marketing initiatives, competitive pricing and more efficient use of our resources, we intend to expand our global footprint with diversified applications for our products in various industries.

4. Focus on quality

Ensuring the quality of our offerings is a top priority for our company. It is essential to uphold our high-quality standards, as this fosters customer satisfaction and encourages repeat orders from our clients. By maintaining consistent quality, we not only preserve our reputation but also strengthen our brand value, leading to increased business opportunities.

PLANT & MACHINERY:

Our manufacturing unit have been setup by using the machineries and components which have been bought from reliable sources from India as well as abroad. Our manufacturing units house various material handling and preparation equipment. Our unit wise plant and machinery is as follows:

Major Drying Machines

Machinery Name	Specification
Dahej Unit	
Spray Dryer – 2 Quantity	Slurry Feed rate:2m3Hr Evaporation capacity:1600 liters/hr. Dry powder Output:400 kgs/hr. MOC: SS-304
Pirana unit	
Spray Dryer – 1 Quantity	Slurry Feed rate:425 Liter/hr. Evaporation capacity: 425 Liter/hr. Dry powder Output:85 kgs/hr. MOC: SS-304
Spin Flash Dryer- 1 Quantity	Dry powder Output:165 kgs/Hr. MOC: SS-304

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a)Unit I:

The following is the list of major plant and machineries we have installed at Unit I:

- Spray Dryer
- Glassline reactor
- Spin Flash Dryer

b)Unit II:

The following is the list of major plant and machineries we have installed at Unit II:

- Glassline reactor
- Spray Dryer

Utilities & Infrastructure Facilities

Raw Material

Our Company procures raw materials used for the manufacture of MCC is wood pulp which are imported from Canada, Hong Kong, Singapore, Indonesia from various suppliers and Hydrochloric Acid, Ammonia Solution & soda ash light is also required which is purchased from the local market. The chemical and physical properties of the pulp determine the final quality of our finished products.

We have a fully established, well-equipped in-house quality control laboratory for comprehensive physical, chemical, and microbial testing of raw materials. Our Quality Assurance (QA) and Quality Control (QC) departments are separate entities, ensuring adherence to best laboratory practices.

Power & Fuel

Our manufacturing unit has adequate power supply position. Unit 1 has sanctioned power from Uttar Gujarat Vij Company Limited to the tune of 300 KW. Also, we have also installed one transformer and one diesel generator set for power back up with combined capacity of 820 KW. Unit 2 has sanctioned power from Torrent Power Limited to the tune of 1100 KW. Also, we have also installed one transformer and two diesel generator set for power back up with combined capacity of 2000 KW. At our corporate office there is normal requirement for the lighting, Computer systems etc.

Water Management

For Unit 1 Pirana: We source water from in house borewell. We have fully equipped & operational water treatment plant comprising of Softener, Ultra Filtration, Reverse Osmosis units followed by demineralization water (DM) unit for process & utilities. These treatment processes are crucial to us for ensuring the quality and purity of water.

For Unit 2 Dahej, SEZ: We source water from Gujarat Industrial development corporation and we have fully equipped & operational water treatment plant comprising of Reverse Osmosis units followed by DM water unit for process & utilities.

Repair And Maintenance

We conduct periodic repair and maintenance programs periodically by our own technician for our manufacturing facility. Our company have preventive maintenance schedule and checklist along with equipment history card for repairs history.

Inventory Management

At present we have an accounting and inventory management software called “clarity” which was developed by Datascan information systems, all the accounting entries, purchase, sales, production and inventory management are done through this software.

Logistic

We transport raw materials and finished products primarily by road in case of domestic and by Sea and Air in case of exports. Our major raw material is wood pulp in the form of wood pulp sheets which is used as the primary raw material during our manufacturing process which is imported from Canada, Hong Kong, Singapore, Indonesia. Most of our purchases are on CIF basis, in this case freight is paid by the supplier on receipt of material.

For the delivery of our products, we outsource the delivery of our products by road in case of domestic and by sea and air in case of exports. In case sale of finished products, our sales are based on rates which are inclusive of freight, in those cases, our Company pays the freight on despatch of material.

Information Technology

At present we have inhouse information technology set up, comprising of 3 dedicated servers located at one each at Ahmedabad Head Office, Pirana Unit (Unit-I), Dahej SEZ Unit (Unit-II) which are being maintained by our in-house IT team and for general access is with IT head of the Company.

Quality Control

Our Company has an inhouse team of around 16 people in the Quality department for the quality checking of all the inward Items as well as Outward Items. We have in house all the required advanced equipment in place.

Waste Management

We have installed effluent treatment plants in all our manufacturing units for treatment of waste water generated during the manufacturing process. Our Company has agreements with third parties i.e Bharuch Environment Infrastructure Limited and Safe Environment Pvt. Ltd. for systematic disposal and processing of hazardous waste generated in all our manufacturing units. For the Liquid waste, it is treated in effluent treatment plant and Nano filtration for reuse and rest is discharged in final discharge through drainage pipelines provided by GIDC & GPCB where treated water is discharged in deep sea. For the Solid waste Bio sludge and chemical sludge which is dewatered in belt press and semi dried sludge is dried and then handed over to BIEL for Quantity as per agreement between BIEL and Accent for dumping for land filling.

Human Resource

Our employees are the key to the success of our business. As on September 30,2024, we have the total strength of 184 in various department as per the below details:

Sr. No.	Particular	Piarana	Dahej, SEZ	Ahmedabad Office	Total
1.	Employees on Payroll	44	98	42	184
2.	Labour on contract basis	21	140	-	161

Details of employees on payroll basis as on September 30, 2024, categorized by department, is provided below:

Sr. No.	Departments	No. of Employees			Total
		Pirana (Unit - I)	Dahej SEZ (Unit - II)	Ahmedabad office	
1.	Production	24	21	-	45
2.	Packing & Dispatch	2	18	-	20
3.	ETP & RODM	-	9	-	9
4.	Accounts	1	-	13	14
5.	GST & CUSTOMS	1	-	-	1
6.	HR & Admin	2	7	6	15
7.	Stores	2	3	-	5
8.	Electrical & Instruments	3	8	-	11
9.	Mechanical & Maintenance	4	14	-	18
10.	Document	1	-	-	1
11.	Operations	-	1	-	1
12.	Commercial	1	3	-	4
13.	R & D	-	1	-	1
14.	QC & Micro Lab	1	8	-	9
15.	QA	2	4	-	6
16.	EHS	-	1	-	1
17.	Domestic Business	-	-	5	5
18.	International Business	-	-	7	7
19.	EXIM	-	-	5	5
20.	PURCHASE	-	-	3	3
21.	IT	-	-	2	2
	Compliance Officer	-	-	1	1
	Total	44	98	42	184

HEALTH AND SAFETY

We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted an environment, health and safety policy ensuring the safety of our employees and the people working under our management. We have implemented work safety measures to ensure a safe working environment, such

measures include general guidelines for health and safety at our offices, accident reporting, wearing safety equipment and maintaining clean and orderly work locations.

CORPORATE SOCIAL RESPONSIBILITY

We as a responsible corporate citizen are committed to take up different projects, spending through the implementing agency as part of our Corporate Social Responsibility (“CSR”) initiatives. CSR was applicable to the Company from Financial Year 2020-2021 as the profit before tax crossed applicable threshold limit in the Financial Year 2019-2020. Our CSR policy defines the framework for implementing CSR activities in compliance with Section 135 of the Companies Act, 2013 and rules framed thereunder. The company’s CSR policy includes its objective and areas of spending and it covers areas as specified in schedule VII of the Company’s Act and CSR rules made thereunder. We have spent an amount of ₹ 21.50 lacs, ₹ 15.50 lacs, ₹ 12.13 lacs and ₹ 9.50 lacs towards our CSR initiatives during FY 23, FY 22, FY 21 and FY 20 respectively. In FY 20 & FY 21, the spending is done through the implementing agency by Shree Hiraba Charitable Trust, Ahmedabad, registration No. E 20413 and In FY 22 & FY 23 spending is done through the implementing agency by Raginiben Bipinchandra Sevakarya Trust, Ahmedabad registration No. E-2033.

(Amount ₹ in Lakhs)

Particulars	Sep-24	2023-2024	2022-2023	2021-2022
Amount required to be spent during the half year ended for 30/09/2024 year for (FY 21-22, 22-23 & 23-24)	20.41	21.18	15.36	11.93
Amount actually spent	-	21.50	15.50	12.13
Shortfall at the end of year	-	-	-	-
Total of previous year shortfall	-	-	-	-
Reason for such shortfall	NA	NA	NA	NA
Nature of CSR activities	As per Note 1	As per Note 2	As per Note 2	As per Note 3
Details of related party transactions	Nil	Nil	Nil	Nil

Notes:

Note 1: Company is required to spent liability for FY 24-25 up to 31st March 2025.

Note 2: Women Empowerment, Medical & Health Care, Rural Development

Note 3: Improving Life Standard of Women and helping poor Children's developing as well as providing grains and pulses to poor peoples for their daily food requirements.

Marketing:

- ❖ Having more than 17 years presence in Pharmaceutical industry, we are having good contacts among buyers hence we remain in regular communications with buyers by email, over telecom and have periodically business meetings.
- ❖ Also, we have our agents and they support us in our distributors for marketing and distributing our products.
- ❖ Our marketing team along with our promoters through their vast experience and good rapport with customers expands the sales network of our company.
- ❖ Our Quality certifications such as US-DMF, GMP, ISO 9001:2008, KOSHER, HALAL & USP/NF, EP, BP, JP, IP, FCC, FSSC-22000, FSSAI certify the quality of our products and the compliance with international standards. We regularly leverage these certifications in our marketing strategy.
- ❖ We strictly adhere to the quality expectations of the customers and the international standards as we have a fully established, well-equipped in-house quality control laboratory for comprehensive physical, chemical, and microbial testing of raw materials, in-process stages, and finished products by conducting the necessary tests before dispatching out products.

COMPETITION

We face competition from organized as well as unorganized players in the domestic market as well as international market. This industry is highly competitive and fragmented. We have a number of competitors offering services similar to us. We believe the principal elements of competition are price and reliability. We compete against our competitors by establishing ourselves as a knowledge-based company with industry expertise in providing services.

COLLABORATIONS

We have not entered into any technical or other collaboration as on date.

JOINT VENTURE

Our Company does not have a joint venture as on the date.

Performance Guarantee

We are not obliged for performance guarantee.

Segment Wise Revenue Breakup

Segment Wise Revenue breakup of our Company as per Restated Financial Information is as under:

(Amount ₹ in Lakhs)

Industry served	For the period ended on September 30, 2024		Financial year ended on March 31, 2024		Financial year ended on March 31, 2023		Financial year ended on March 31, 2022	
	Amount	In %	Amount	In %	Amount	In %	Amount	In %
Pharmaceuticals	9701.26	76.97	19659.89	75.40	14,672.98	71.86	12,029.86	72.6
Nutraceuticals	1418.36	11.25	3786.12	14.52	2,138.19	10.47	1,594.91	9.62
Food	1155.64	9.17	2131.16	8.17	3,607.59	17.67	2,946.36	17.78
Others and technical grades	328.41	2.61	496.49	1.90	-	-	-	-
Total	12,603.67	100.00	26,073.65	100.00	20,418.76	100.00	16,571.13	100.00

Geographical Wise Revenue Breakup

Geographical distribution of our revenue during the last FY 2024, FY, 2023 and FY 2022 and for the period ended September 30, 2024 are as under:

(Amount ₹ in Lakhs)

State/ Country	For the half year ended on Sept 30, 2024		For the year ended on March 31, 2024		For the year ended on March 31, 2023		For the year ended on March 31, 2022	
	Amount	In %	Amount	In %	Amount	In %	Amount	In %
Domestic Sales								
State wise								
Andhra Pradesh	-	-	1.08	0.00	5.11	0.03	0.04	0.00
Assam	10.08	0.08	8.25	0.03	4.22	0.02	-	-
Dadra & Nagar Haveli	-	-	0.22	0.00	-	-	5.09	0.03
Delhi	6.75	0.05	-	-	2.70	0.01	12.25	0.07
Gujarat	4,855.95	38.53	7,216.23	27.68	4,953.53	24.26	3,725.45	22.48
Haryana	17.74	0.14	48.40	0.19	33.78	0.17	38.96	0.24
Himachal Pradesh	460.18	3.65	760.09	2.92	635.37	3.11	680.30	4.11
J & K	2.34	0.02	6.88	0.03	27.19	0.13	34.21	0.21
Karnataka	21.22	0.17	13.08	0.05	56.01	0.27	10.79	0.07
Maharashtra	868.26	6.89	936.30	3.59	902.34	4.42	632.02	3.81
Odisha	-	-	-	-	0.47	0.00	-	-
Puducherry	0.28	0.00	1.64	0.01	1.83	0.01	0.05	0.00
Punjab	22.19	0.18	59.49	0.23	41.95	0.21	32.20	0.19
Rajasthan	12.31	0.10	30.40	0.12	36.06	0.18	25.64	0.15
Sikkim	17.30	0.14	15.59	0.06	23.82	0.12	11.11	0.07
Tamilnadu	34.58	0.27	43.10	0.17	60.66	0.30	30.14	0.18
Telangana	206.38	1.64	296.60	1.14	193.12	0.95	144.85	0.87
U.P.	70.59	0.56	47.96	0.18	39.45	0.19	16.45	0.10

Uttarakhand	183.58	1.46	451.71	1.73	343.88	1.68	325.92	1.97
West Bengal	38.35	0.30	-	-	107.98	0.53	22.10	0.13
Kerala	-	-	160.93	0.62	-	-	-	-
Madhya Pradesh	10.66	0.08	8.78	0.03	-	-	-	-
Chandigarh		-	-	-				
Total I	6,838.71	54.26	10,106.71	38.76	7,469.47	36.58	5,747.56	34.68
Export Sales								
Country wise								
Argentina	142.75	1.13	203.49	0.78	239.08	1.17	122.01	0.74
Australia	77.64	0.62	470.02	1.80	626.98	3.07	577.86	3.49
Bahrain	-	-	-	-	-	-	23.81	0.14
Bangladesh	39.81	0.32	216.99	0.83	915.81	4.49	325.14	1.96
Belgium	1.72	0.01	63.60	0.24	-	-	-	-
Brazil	491.12	3.90	1,361.70	5.22	992.37	4.86	539.24	3.25
Canada	45.24	0.36	24.57	0.09	52.16	0.26	146.64	0.88
Chile	2.08	0.02	15.90	0.06	11.05	0.05	22.27	0.13
China	4.05	0.03	21.40	0.08	-	-	-	-
Colombia	-	-	132.20	0.51	618.09	3.03	167.30	1.01
Czech Republic	19.88	0.16	39.56	0.15	-	-	-	-
Denmark	646.31	5.13	830.97	3.19	0.41	0.00	-	-
Dominican Republic	-	-	1.65	0.01	-	-	-	-
Egypt	166.60	1.32	563.58	2.16	897.97	4.40	407.07	2.46
France	-	-	127.99	0.49	5.98	0.03	-	-
Germany	262.20	2.08	1,423.76	5.46	767.57	3.76	302.29	1.82
Greece	91.10	0.72	299.39	1.15	202.98	0.99	110.93	0.67
Guatemala	1.35	0.01	-	-	-	-	-	-
Hungary	-	-	61.50	0.24	67.82	0.33	8.14	0.05
Indonesia	292.86	2.32	505.00	1.94	531.23	2.60	692.34	4.18
Iran	-	-	-	-	-	-	107.75	0.65
Ireland	12.01	0.10	115.70	0.44	63.51	0.31	-	-
Israel	-	-	141.83	0.54	245.75	1.20	214.18	1.29
Italy	132.65	1.05	435.05	1.67	407.29	1.99	213.24	1.29
Korea, Republic of	560.47	4.45	1,399.31	5.37	1,019.04	4.99	528.95	3.19
Lithuania		-	22.89	0.09				
Mexico	385.48	3.06	692.27	2.66	163.28	0.80	228.94	1.38
Morocco	63.47	0.50	81.39	0.31	320.03	1.57	79.94	0.48
Netherlands	18.06	0.14	457.86	1.76	405.95	1.99	1,016.19	6.13
New Zealand	9.31	0.07	57.12	0.22	20.75	0.10	12.16	0.07
Pakistan	74.79	0.59	181.46	0.70	80.45	0.39	41.22	0.25
Poland	375.90	2.98	749.92	2.88	525.55	2.57	354.48	2.14
Russia	73.18	0.58	460.40	1.77	652.49	3.20	792.28	4.78
Singapore	-	-	0.66	0.00	-	-	5.58	0.03
South Africa	3.28	0.03	26.66	0.10	18.35	0.09	129.88	0.78
Spain	232.79	1.85	342.81	1.31	258.37	1.27	360.46	2.18
Sri Lanka	18.27	0.14	43.12	0.17	11.36	0.06	27.45	0.17
Sweden	117.03	0.93						
Switzerland	-	-	23.09	0.09	23.51	0.12	-	-
Thailand	129.65	1.03	307.72	1.18	463.72	2.27	202.96	1.22
Tunisia	-	-	-	-	19.95	0.10	18.51	0.11
Turkey	174.54	1.38	881.47	3.38	639.63	3.13	300.56	1.81
Ukraine	-	-	-	-	-	-	19.27	0.12
United Arab Emirates	155.29	1.23	848.45	3.25	271.54	1.33	185.63	1.12
United Kingdom	425.71	3.38	1,036.62	3.98	615.49	3.01	1,247.24	7.53
United States	456.29	3.62	1,167.40	4.48	610.63	2.99	944.17	5.70
Vietnam, Democratic Rep. of	25.61	0.20	116.48	0.45	183.16	0.90	347.51	2.10
Zimbabwe	36.46	0.29	14.04	0.05	-	-	-	-

Total II	5,764.97	45.74	15,966.94	61.24	12,949.30	63.42	10,823.56	65.32
Total (I + II)	12,603.67	100.00	26,073.65	100.00	20,418.76	100.00	16,571.13	100.00

Top Ten Customer

The following is the revenue breakup from the top five and top ten customers of our Company for the Fiscal 2024 is as follows

(Amount ₹ in Lakhs)

Particular	March 31, 2024	
	Amount	Percentage (%)
Top 5 Customers	6671.39	25.59
Top 10 Customers	10625.35	40.75

Top Ten Supplier

The following is the revenue breakup from the top five and top ten suppliers of our Company for the Fiscal 2024 is as follows:

(Amount ₹ in Lakhs)

Particular	March 31, 2024	
	Amount	Percentage (%)
Top 5 Suppliers	9849.04	68.94
Top 10 Suppliers	12070.44	84.49

Financial Snapshot:



Financial Snapshot of our Company as per Restated Financial Information is as under:


(Amount ₹ in Lakhs)

Particulars	For the period ended on September 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
Revenue from Operations	12,603.67	26,073.65	20,418.76	16,571.13
Total Income	12,901.00	26,445.90	20,696.75	16,753.97
EBITDA	2,169.99	4,808.54	2,215.72	1480.15
EBITDA Margin (in %)	17.22%	18.44%	10.85%	8.93%
PAT	1,646.68	3,639.65	1301.02	589.31
PAT Margin (in %)	13.07%	13.96%	6.37%	3.56%

Intellectual Property

The Company owned the following trademark / copyrights which are owned by our Company and applied for registration:

Sr. No.	Original Trademark Name	Registration No.	Application No.	Class	Current Status
1.		3131147	-	29	Registered
2.		-	5920894	5	Opposed

Sr. No.	Original Trademark Name	Registration No.	Application No.	Class	Current Status
3.		-	5920895	35	Opposed
4.	Micro Crystalline Cellulose – ACCEL	3131149	-	29	Registered
5.	Micro Crystalline Cellulose – ACCEL	3131148	-	5	Registered
6.	VINCEL	-	5888407	3	Registered
7.	VINCEL	-	5888408	5	Registered
8.	VINCEL	-	5888409	29	Registered
9.	VINCEL	-	5888410	30	Registered
10.	VINCEL	-	5888411	35	Registered
11.	MACCEL	-	6167391	5	Registered
12.	MACCEL	-	6167392	29	Registered
13.	MACCEL	-	6167393	30	Registered
14.	MACCEL	-	6167394	35	Registered
15.	ACROCELL	-	6167397	5	Accepted & Advertised
16.	ACROCELL	-	6167388	29	Registered
17.	ACROCELL	-	6167389	30	Registered
18.	ACROCELL	-	6167390	35	Registered

The Details of Domain Names Registered in the Name of the Company:

Sr. No	Domain Name	Registrant Name and Registrant Organization	Expiry Date
1.	accentmicrocell.com	Accent Microcell Limited and Om Net Solution	May 31, 2026

Insurance

We generally maintain insurance covering our plant and machinery with accessories, tools, spares and Furniture & Fittings and stock including stock in process and finished goods at such levels that we believe to be appropriate. We have obtained certain policies such as standard fire and special perils policy, group personal accident insurance policy, Employees Compensation Insurance, Director and Officers liability insurance, etc. The standard fire and special perils policy insures inter alia electrical installations, office equipment, computers and accessories, lab equipment, building, plant and machinery, interior decorations, consumables etc. Although, we have taken appropriate insurance cover, there can be no assurance that our insurance policies will be adequate to cover the losses which we may incur due to the occurrence of an accident or a mishap.

Properties

We operate our activities from our registered office and manufacturing units. Details of which are given below:

Rented Property

(Amount in ₹)

Sr. No.	Name of the Licensor	Address of the Property	Period of Agreement	Consideration	Area and Purpose
2	Mr. Ghanshyam A Patel and Mr. Vasant V Patel	314 Shangrilla Arcade, Shyamal Cross Road, Satellite, Ahmedabad-380015	As mutually decided till annuity.	NIL	1500 Sq. Ft. Registered office of the Company
3	Mr. Ghanshyam A Patel, Mr. Vasant V Patel, Mr. Nitin J Patel and Mr. Vinod M Patel	314A Shangrilla Arcade, Shyamal Cross Road, Satellite, Ahmedabad-380015	As mutually decided till annuity.	NIL	1100 Sq. Ft. used for commercial purpose

Owned Properties

Sr. No.	Address of Premises	Area	Purpose
1.	Unit 1 (Pirana) Survey No. 533/P, Paldi, Kankaj, Pirana Road, Ta. Daskroi, Dist. Ahmedabad - 382425	3900.33 Sq. Mtr.	Manufacturing Unit

Leased Properties

Sr. No.	Address of Premises	Name of the Seller	Date of Execution of Agreement	Consideration	Area	Purpose
1	Unit 2 (Dahej - SEZ) Plot 2No. Z/59-60-63 & 64, Dahej-SEZ, Part-I, Taluka: Vagra, Dist. Bharuch - 392130	Dahej SEZ Limited	February 28, 2013	₹ 2,40,72,540/- and ₹ 1 per sq. mtr. per annum	20060.45 Sq. Meters	Manufacturing Unit

OUR MANAGEMENT
BOARD OF DIRECTORS

Currently, our Company has 07 (Seven) Directors on its Board, out of which Four (4) are Executive Director, three (3) are Non-Executive Independent Director.

The following table sets forth the details regarding the Board of Directors as on the date of filing of this Draft Letter of Offer.

Name, DIN, Designation, Date of Birth, Age, Qualification, Experience, Address, Occupation, Date of expiration of current term, Period of Directorship	Details of directorships in other companies
<p>Mr. Vasant Vadilal Patel</p> <p>DIN: 05225561</p> <p>Designation: Whole Time Director & Chairman</p> <p>Date of Birth: 01/10/1977</p> <p>Age: 47 Years</p> <p>Qualification: Matriculation</p> <p>Experience: more than two decades experience in dyes, intermediate and pharmaceuticals and nutraceutical industry.</p> <p>Address: B 304, Kala Residency, Manekbag, Ahmedabad, Gujarat- 380015</p> <p>Occupation: Business</p> <p>Date of expiration of current term of office of Director and Chairman: 3 Years w.e.f. June 8, 2023</p> <p>Period of Whole Time Director: Since June 8, 2023</p>	<ol style="list-style-type: none"> 1. Agistin Biotech Private Limited 2. Accent Biosciences Private Limited
<p>Mr. Ghanshyam Arjanbhai Patel</p> <p>DIN: 05225398</p> <p>Designation: Managing Director & Chief Financial Officer</p> <p>Date of Birth: 19/11/1978</p> <p>Age: 46 years</p> <p>Qualification: Matriculation</p> <p>Experience: rich experience of more than two decades in various fields like Agro products, marketing, rice processing and finally to venture into this Company as a founder promoter</p>	<ol style="list-style-type: none"> 1. Claroid Pharmaceuticals Limited 2. Accent Biosciences Private Limited

Name, DIN, Designation, Date of Birth, Age, Qualification, Experience, Address, Occupation, Date of expiration of current term, Period of Directorship	Details of directorships in other companies
<p>Address: A 404 Kala Residency, Ahmedabad, Gujrat- 380015</p> <p>Occupation: Business</p> <p>Date of First Appointment: April 10, 2012</p> <p>Date of Appointment as Managing Director: June 08, 2023</p>	
<p>Mr. Nitin Jasantbhai Patel</p> <p>DIN: 05225550</p> <p>Designation: Whole Time Director</p> <p>Date of Birth: 23/06/1982</p> <p>Age: 42 years</p> <p>Qualification: Under Graduate (Bachelor of Commerce 2nd Year from G. B. Shah Commerce College, Gujarat)</p> <p>Experience: two decades of extensive experience as a technical director, where he has effectively and efficiently overseen the implementation of plant projects, ensuring their successful trial runs and commercial production.</p> <p>Address: 15, Shri Chaitanya State Bank Sub Officer Co. Op. H. Sc. Ltd., Near IIM, Ahmedabad, Gujarat-380015</p> <p>Occupation: Business</p> <p>Date of expiration of current term: 3 Years w.e.f. June 08, 2023</p> <p>Period of Directorship: Director of the Company since April 10, 2012</p>	<ol style="list-style-type: none"> 1. Globe Star Valves Private Limited 2. Indo SMC Limited 3. Aneta Pharmaceuticals Private Limited
<p>Mr. Vinodbhai Manibhai Patel</p> <p>DIN: 07698117</p> <p>Designation: Whole Time Director</p> <p>Date of Birth: 10/02/1975</p> <p>Age: 49 years</p> <p>Qualification: Bachelor of Arts from Gujarat University</p>	NA

Name, DIN, Designation, Date of Birth, Age, Qualification, Experience, Address, Occupation, Date of expiration of current term, Period of Directorship	Details of directorships in other companies
<p>Experience: more than two decades experience in running Company's 1st Plant at Pirana where he has gained skilled, technical and administrative experience</p> <p>Address: Paldi Kankaj, Ahmedabad, Gujarat- 382425</p> <p>Occupation: Business</p> <p>Date of expiration of current term: 3 Years w.e.f. June 08, 2023</p> <p>Period of Directorship: Since January 03, 2017</p>	
<p>Mr. Rajatkumar Dineshbhai Patel</p> <p>DIN: 09124295</p> <p>Designation: Independent Director</p> <p>Date of Birth: 19/07/1995</p> <p>Age: 29 years</p> <p>Qualification: Bachelor of Computer Application from Hemchandracharya North Gujarat University</p> <p>Experience: He is having a diversified work experience in the fields of Accounts and Finance for more than 6 (Six) years.</p> <p>Address: Baharano Madh, Upera, Mahesana, Gujarat- 384170</p> <p>Occupation: Professional</p> <p>Date of expiration of current term: May 05,2028</p> <p>Period of Directorship: Since May 05, 2023</p>	<ol style="list-style-type: none"> 1. Globe Textiles (India) Limited 2. Add-Shop E-Retail Limited
<p>Mr. Chintan UmeshBhai Bhatt</p> <p>DIN: 09289074</p> <p>Designation: Independent Director</p> <p>Date of Birth: 18/07/1995</p> <p>Age: 29 years</p> <p>Qualification: Company Secretary</p> <p>Experience: He is having more than 4 years of experience in corporate law and advisory services.</p>	<ol style="list-style-type: none"> 1. Art Nirman Limited 2. Sarda Proteins Ltd 3. Indo SMC Limited

Name, DIN, Designation, Date of Birth, Age, Qualification, Experience, Address, Occupation, Date of expiration of current term, Period of Directorship	Details of directorships in other companies
<p>Address: Q-10, Suvarna Apartment, Arjun Ashram Road, Ranip, Ahmedabad, Gujarat- 382480</p> <p>Occupation: Company Secretary</p> <p>Date of expiration of current term: 17 August 2028</p> <p>Period of Directorship: Since August 18, 2023</p>	
<p>Mr. Shreyaben Milankumar Shah</p> <p>DIN: 09726000</p> <p>Designation: Independent Director</p> <p>Date of Birth: 18/12/1993</p> <p>Age: 31 years</p> <p>Qualification: Company Secretary and Bachelor of Legislative Law (LL.B) from I.M. Nanavati Law College, Ahmedabad</p> <p>Experience: having diversified experience of around 7 years in the domain of Corporate Governance, SEBI, Stock Exchange and MCA related compliances, securities law and other legal compliances.</p> <p>Address: 20/9,8 Dharmottam Bunglows, Prahladnagar, Reliance Petrol Pump, Ahmedabad, Gujarat- 380015</p> <p>Occupation: Professional</p> <p>Date of expiration of current term: 17 August 2028</p> <p>Period of Directorship: Since August 18, 2023</p>	<ol style="list-style-type: none"> 1. Rushil Decor Limited 2. Ganga Bath Fittings Limited 3. Bhanderi Infracon Limited

Brief Profile of our Directors

Mr. Vasant Vadilal Patel, aged 47 years, is the Executive Chairman of the Company. He possesses a secondary school certificate (Matriculation). Mr. Vasant is having an extensive experience of more than two decades in this dyes, intermediate and pharmaceuticals and nutraceutical industry. He has been one of the key persons behind the setting up of plant and also the founder promoter of the Company. He has varied experience related to product development and marketing. He is presently in charge of all offshore marketing, product development policy matters.

Before commencing M/s Accent Microcell Industries, he started his journey with a company named as M/s Pooja Fine Chem, a trading company. Where he gained experience in sales and marketing. This Company deals in industrial and pharmaceuticals chemicals as well as laboratory chemicals. During his time at M/s Pooja Fine Chem, he became interested in product called Microcrystalline Cellulose. He wanted to establish a manufacturing unit for this product, however it required a lot of time and money. So, he chose to team up with a group that shared his passion and had the necessary funds to start a joint venture. This is how Accent came into existence.

Mr. Ghanshyam Arjanbhai Patel, aged 46 years, is the Managing Director and CFO at Accent Microcell Limited. He possesses a secondary school certificate (Matriculation). He is having long standing and rich experience of more than two decades in various fields like Agro products, marketing, rice processing and finally to venture into this Company as a founder promoter. He looks after the overall strategic plan and supervising the operations of the company in administration, Finance, HRD, banking, collections etc. He has been instrumental in nourishing the finance requirement of the company as and when required to meet to long term and short-term requirement of the company for the company's business development.

Mr. Nitin Jasvantbhai Patel, aged 42 years, is the Whole Time Director on the board of Accent Microcell Limited. He is Under Graduate pursued degree of Bachelor of commerce (2nd Year). He has over two decades of extensive experience as a technical director, where he has effectively and efficiently overseen the implementation of plant projects, ensuring their successful trial runs and commercial production. He is the founder promoter of the Company and Executive Director who looks after plant production, quality criteria & project implementation in timely manner. He looks after all technical matters of the company's current technology and his technical expertise give competitive edge to company in time line of setting up project. His technical advice is invaluable and of immense help to the company in all technical decisions the board takes. His consistent delivery of high-quality and abundant output has earned the Company a strong reputation both in the domestic and international markets. He is very passionate in R&D field and he has been leading this department and many products have been developed under his leadership.

Mr. Vinodbhai Manibhai Patel, an arts graduate aged 48 years is the promoter and Executive Director of the Company having absolute skilled, technical and administrative experience of running Company's 1st Plant at Pirana. He is also a person involved in CSR, Social and philanthropic activities including Cordial relations to be maintained with Plant Head, Labour and Contract workers. His experience in running the unit for more than two decades itself speaks about the volume of skills he has and what a shop floor experience he has got from the Company's own plant.

Mr. RajatKumar Dineshbhai Patel, aged 29 years, is the Non- Executive Independent Director on the board of Accent Microcell Limited. He has graduated in Bachelor of Computer Applications (B.C.A) from Hemchandracharya North Gujarat University, Gujarat. He is having a diversified work experience in the fields of Accounts and Finance for more than 6 (Six) years. Currently he is working as Executive in Finance & Accounts in Kusum Packaging Solutions Private Limited. He is also on the Board of Globe Textiles (India) Limited as a Non- Executive, Independent Director since 25th March, 2023.

Mr. Chintan UmeshBhai Bhatt, aged 28 years, is the Non- Executive Independent Director on the board of Accent Microcell Limited. He is Associate Member of Institute of Company Secretaries of India and having degree in Bachelor of Law, Diploma in Tax Practice and Diploma in labor Practice. He is having more than 4 years of experience in corporate law and advisory services.

Ms. Shreyaben Milankumar Shah, aged 31 years, is the Non- Executive Independent Director on the board of Accent Microcell Limited. She is a Qualified Company Secretary and law graduate having diversified experience of around 7 years in the domain of Corporate Governance, SEBI, Stock Exchange and MCA related compliances, securities law and other legal compliances. Presently, she is working as Assistant Company Secretary in PSP Projects Limited, Ahmedabad.

Confirmations

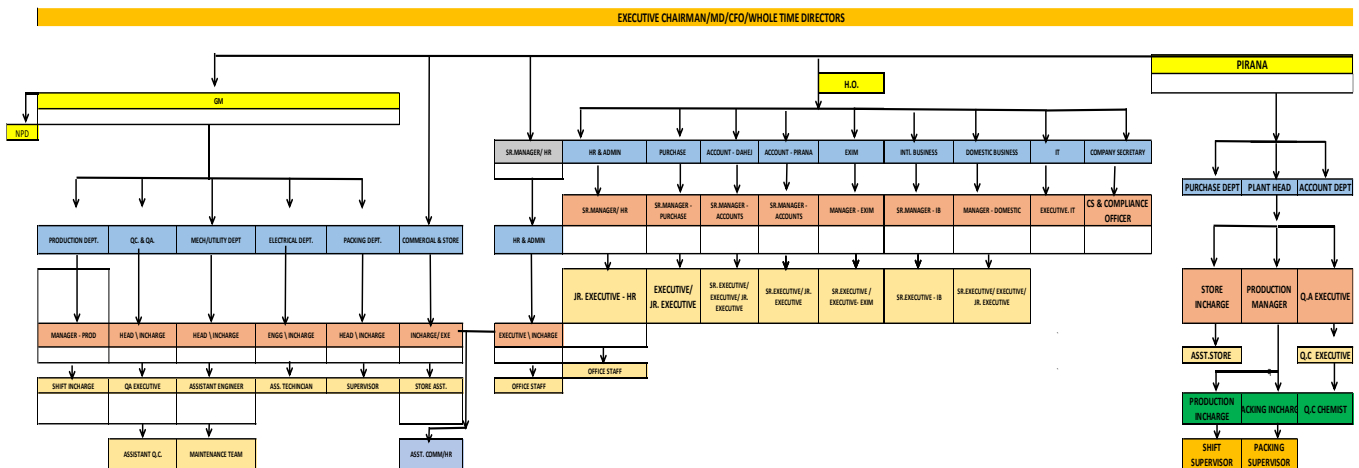
Details of current and past directorship(s) of the above Directors in listed companies whose shares have been / were suspended from being traded on any of the stock exchanges, during his/her tenure

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Draft Letter of Offer, during the term of his/her directorship in such company.

Details of current and past directorship(s) of the above Directors in listed companies which have been/ were delisted from the stock exchange(s), during his/her tenure

None of our Directors is, or was a director of any listed company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

Management Organization Structure



Corporate Governance

Although the provisions of corporate governance are not applicable to the Company, since its paid up capital and net worth do not exceed the limits stipulated under the SEBI LODR Regulations, the Company, as a good governance practice, has ensured compliance with the corporate governance norms as provided under the Companies Act and the SEBI LODR Regulations and the Companies Act.

We are in compliance with the requirements of the applicable provisions of SEBI LODR Regulations and the Companies Act, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

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

Committees of the Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI LODR Regulations:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders' Relationship Committee; and
- Corporate Social Responsibility Committee
- Investment, Finance and Business Development (IFBD) Committee

A) AUDIT COMMITTEE

Our Audit Committee was last reconstituted by our Board of Directors in their meeting held on October 09, 2023.

Composition of the Audit Committee

The committee presently comprises the following four directors:

Sr. No.	Name of Director	Designation in Committee	Nature of Directorship
1.	Ms. Shreyaben Milankumar Shah	Chairman	Non- Executive Woman Independent Director
2.	Mr. Rajatkumar Dineshbhai Patel	Member	Non- Executive Independent Director

3.	Mr. Ghanshyam Arjanbhai Patel	Member	Managing Director
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Our Company Secretary and Compliance officer of our Company acts as the Secretary of the Audit Committee.

Terms of Reference of Audit Committee:

- a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval.
- e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- g) Approval or any subsequent modification of transactions of the company with related parties.
- h) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- i) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- j) To review the functioning of the Whistle Blower mechanism.
- k) Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- l) Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 on quarterly basis.

The Audit Committee shall meet at-least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

B) NOMINATION AND REMUNERATION COMMITTEE

Our Nomination and Remuneration Committee was last reconstituted on October 09, 2023.

Composition of Nomination and Remuneration Committee

The committee presently comprises the following three directors:

Sr. No.	Name of Director	Designation in Committee	Nature of Directorship
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1.	Mr. Chintan UmeshBhai Bhatt	Chairman	Non- Executive Independent Director
2.	Mr. Rajatkumar Dineshbhai Patel	Member	Non- Executive Independent Director
3.	Ms. Shreyaben Milankumar Shah	Member	Non- Executive Woman Independent Director

Our Company Secretary and Compliance officer of our Company acts as the Secretary of the Nomination and Remuneration Committee.

Terms of Reference of Nomination and Remuneration Committee

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
- b) Formulation of criteria for effective evaluation of performance of the Board, Independent Directors and other individual directors and review its implementation and compliance thereof.
- c) Devising a policy on diversity of board of directors.
- d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

The Meetings of the Committee shall be held at such regular intervals as may be required. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at-least one independent director.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

C) STAKEHOLDERS RELATIONSHIP COMMITTEE

Our Stakeholders Relationship Committee was last reconstituted on October 09, 2023.

Composition of Stakeholders Relationship Committee

The committee presently comprises the following three directors:

Sr. No.	Name of Director	Designation in Committee	Nature of Directorship
1.	Ms. Shreyaben Milankumar Shah	Chairman	Non- Executive Woman Independent Director
2.	Mr. Ghanshyam Arjanbhai Patel	Member	Managing Director
3.	Mr. Nitin Jasvantbhai Patel	Member	Whole-Time Director

Our Company Secretary and Compliance officer will act as the Secretary of the Stakeholders Relationship Committee.

Terms of Reference of Stakeholders Relationship Committee

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
5. Any allied matter out of and incidental to these functions.

The Stakeholders Relationship Committee is required to meet at-least once in a year.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has been formed by the Board of Directors, at the meeting held on October 09, 2023. As on the date of this DLOF the Corporate Social Responsibility Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Vinodbhai Manibhai Patel	Chairman	Whole Time Director
Mr. Ghanshyam Arjanbhai Patel	Member	Managing Director
Mr. Rajatkumar Dineshbhai Patel	Member	Non- Executive Independent Director

Our Company Secretary and Compliance officer will act as the Secretary of the Corporate Social Responsibility Committee.

The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013.

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
3. To monitor the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The quorum for the CSR Committee Meeting shall be one – third of its total strength (any fraction contained in that one- third be rounded off as one) or two members, whichever is higher.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

E) INVESTMENT, FINANCE AND BUSINESS DEVELOPMENT (IFBD) COMMITTEE

The Investment, Finance and Business Development Committee has been formed by the Board of Directors, at the meeting held on February 27, 2024 comprising of the following members w.e.f. February 27, 2024:

Name of the Director	Position in the Committee	Designation
Mr. Ghanshyam Arjanbhai Patel	Chairman	Managing Director

Mr. Chintan Umeshbhai Bhatt	Member	Non-Executive Independent Director
Mr. Vinodbhai Manibhai Patel	Member	Whole-time Director

The IFBD Committee shall have the following Rules for its working:

a) Chairman of the Committee:

In the absence of the Chairman of the IFBD Committee from the meeting, the members of the IFBD committee shall elect one of its members as the Chairman of that Committee meeting. Quorum: The Quorum for the committee meeting shall be the presence of any 2 (two) of the members.

b) Decision & Voting Power:

All the decision of the committee shall be taken by vote of majority. Members of the committee shall be entitled to vote, in case of equality. The Chairman shall have one casting vote. The Secretary and Chief Financial Officer of the Company shall attend and participate at but shall not have the right to vote.

Responsibility of Committee:

The IFBD Committee exercises powers in relation to the matters listed below:

- a) Review and recommend to the Board overall investment policy and guidelines, including asset allocation ranges;
- b) Review and make recommendations to the Board on all capital-related issues;
- c) Review and recommend to the Board all major new business initiatives, especially those requiring a significant capital allocation;
- d) to enter into transactions and/or agreements resulting in investment in other entities, Merger & Acquisition (M&A), Joint Ventures partnerships, Business Collaborations etc.
- e) to invest the surplus funds of the Company;
- f) to incur capital expenditure within the permitted limit, and anything above with approval of the Board of the company;
- g) to focus on the contribution, each proposal for achievement of strategic plan and objectives;
- h) to focus on the financial competitiveness & sustainability of each proposal;
- i) To focus on each investment decision and evaluate with SWOT analysis along with risk parameters on TEV basis (Techno, Economic and viability);
- j) to identify growth horizons for the Company;
- k) to approve the business development projects;
- l) to make strategic alliances with other companies;
- m) to borrow money from Banks or Financial Institutions or from other bodies;
- n) to grant Loans and advances or give Guarantee or provide Security in respect of loans;
- o) to Open or Close Bank Accounts;
- p) to enter into leave & license agreement and other agreements as per requirement of law on behalf of the company;
- q) Review and make recommendations to the Board on all significant credit, letter of credit and other financing facilities.
- r) to appoint an authorized representative for doing some particular activities on behalf of the company;
- s) Review and recommend the Board dividend policy and declarations.

The Committee shall have such other powers and perform such other duties as the Board may delegate from time to time.

KEY MANAGEMENT PERSONNEL

The details of our key management personnel *i.e.* our Managing Directors, Chairman and Whole-time Director, Chief Financial Officer have been provided under paragraph above titled '*Brief Profile of our Directors*'.

Further Ms. Braham Pal Chhabra was the Company Secretary & Compliance Officer of the Company and she has resigned w.e.f. December 07, 2024. The Company is in process of appoint a new Company Secretary & Compliance Officer.

All the Key Managerial Personnel are Permanent employees of the Company.

None of our Key Managerial Personnel are entitled to receive any termination or retirement benefits.

Our Senior Managerial Personnel

Sr. No.	Name of the employee	Designation	Qualification	Experience	Date of Joining
1	Mr. Vijay Singh	GM Operations-Dahej Unit	BE Chemical	21 Years	14/03/2022
2	Mr. Dipen Shastry	Production head-Pirana Unit	B. Sc. (Chemistry)	18 Years	01/08/2016
3	Mr. Ashish Singh	Global business head	B.Com., Master of Business Administration in Marketing (Worcester University, UK.)	21 Years	06/09/2013
4	Mr. Santosh Shrivastav	Sr. Manager-Human Resources	B.A. in Psychology/ Master of Social Work/ Diploma in Labour Laws and Practice/ PG Diploma in Human Resource Management / International MBA- in HR-UBI Brussels (Europe)	19 Years	17/02/2014
5	Mr. Nipam Jani	Sr. Manager-Account Pirana unit	B. Com & LLB with Taxation	32 Years	25/10/2007
6	Mr. Pratik Rughani	Sr. Manager-Accounts Dahej unit	M. Com, CA & DISA	13 Years	27/08/2013

Relationship of Key Managerial Personnel and Senior Management with other Key Managerial Personnel and Senior Management

None of the Key Managerial Personnel and Senior Management are related to each other.

OUR PROMOTERS

Our Promoter

The following Individuals and entities are our Promoters:

1. Mr. Vasant Vadilal Patel
2. Mr. Ghanshyam Arjanbhai Patel
3. Mr. Nitin Jasvantbhai Patel
4. Mr. Vinodbhai Manibhai Patel

The details of the shareholding of our Promoters, as on date of this Draft Letter of Offer, have been provided below:

Sr. No.	Name of the Promoter	Number of Equity Shares held	% of the total number of shares
1	Vasant Vadilal Patel	19,34,100	9.19
2	Ghanshyam Arjanbhai Patel	26,30,400	12.50
3	Nitin Jasvantbhai Patel	32,81,000	15.59
4	Vinodbhai Manibhai Patel	32,28,000	15.34
	Total	1,10,73,500	52.62

Our Company confirms that the permanent account number(s), bank account number(s) and passport number(s) of our Promoters shall be submitted to the Stock Exchange at the time of filing this Draft Letter of Offer.

For details of the educational qualifications, experience, other directorships, positions / posts held by Mr. Vasant Vadilal Patel, Mr. Ghanshyam Arjanbhai Patel, Mr. Nitin Jasvantbhai Patel and Mr. Vinodbhai Manibhai Patel, please see the chapter titled “*Our Management*” on page 89 of this Draft Letter of Offer.

Confirmations

1. None of our Promoters or members of our Promoter Group have been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.
2. Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
3. None of our Promoters or Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
4. For details on litigations and disputes pending against the Promoters and defaults made by them including violations of securities laws, please refer to the section titled “*Outstanding Litigation and Material Developments*” on page 118 of this Draft Letter of offer.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans of the Company and capital requirements, profit earned during the fiscal year, and surpluses, contractual restrictions, liquidity and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, see the section titled “*Financial Indebtedness*” on page 102 of this Draft Letter of Offer.

The dividends declared by our Company on the Equity shares in last 3 fiscal years 2024, 2023 and 2022, as per our Restated Financial Statements are given below:

Particulars	For the Period as at September 30, 2024	Financial Performance (For the Fiscal Year)		
		2024	2023	2022
Face Value Per Share (in ₹)	10	10	10	10
Dividend Declared	No	Yes	Yes	No
Dividend (in lacs)	Nil	210.43	103.54	103.22
Dividend Per Share (in ₹)	Nil	1	0.80	0.80
Rate of Dividend (%)	Nil	10%	8%	8%
Interest Paid (in ₹)	Nil	Nil	Nil	Nil
Dividend Distribution Tax*1	NA	NA	NA	NA

Notes:

*1 Dividend Distribution tax has been abolished effective from 1st April, 2020 and payment of tax has to be made by respective shareholder as per their applicable tax slabs.

Our Company does not have a formal dividend policy. The amount paid as dividends in the past is not necessarily indicative of our dividend policy or dividend amounts, if any, in the future. For details in relation to the risks involved, see the section titled “*Risk Factors*” on page 23 of this Draft Letter of Offer.

SECTION V – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

Sr. No.	Details	Page No.
1.	Restated Audited Financial Statements as at and for the period ended September 30, 2024 and as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022	RFS 1 to RFS 40

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

The Board of Directors
Accent Microcell Limited
314, Shangrilla Arcade, Shyamal Cross Road,
Anandnagar Road, Satellite,
Ahmedabad, Gujarat - 380015

Independent Auditor's Examination Report on Restated Financial Statements in connection with the Proposed Right Issue of Equity Shares on SME Platform of Accent Microcell Limited (Formerly known as Accent Microcell Private Limited)

Dear Sir,

1. We have examined, the attached Restated Financial Statements, of Accent Microcell Limited (Formerly known as Accent Microcell Private Limited) (hereunder referred to "the Company", "Issuer"), comprising:

- a) the "Restated Statement of Assets and Liabilities" as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022;
- b) the "Restated Statement of Profit and Loss" for the period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022;
- c) the "Restated Statement of Cash Flows" for the period ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022; and
- d) the "Notes to the Restated Financial Statements" for the period September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022;

(Hereinafter together referred to as the "Restated Financial Statements"), as approved by the Board of Directors of the Company at their meeting held on November 20, 2024 for the purpose of inclusion in the Draft Letter of Offer ("DLOF") / Letter of Offer ("LOF") (collectively, the "Offer Documents") in connection with its Proposed Right Issue of Equity Shares, prepared by the Company in terms of the requirement of.

2. These restated summary statements have been prepared in accordance with the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") as amended from time to time;
- b) Paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (the "SEBI"); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").



Management's Responsibility for the Restated Financial Statements

3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for the purpose of inclusion in the Draft Letter of Offer / Letter of Offer to be filed with Securities and Exchange Board of India ("SEBI"), SME platform of NSE Limited ("NSE") and Registrar of Companies (Ahmedabad, Gujarat), where the equity shares of the Company are proposed to be listed ("Stock Exchanges"), in connection with the proposed Right Issue. The Restated Financial Statements have been prepared by the Management of the Company in accordance with the basis of preparation stated in Note 1 forming part of 'Significant Accounting Policies' of the Restated Financial Statements.

The Board of Directors of the Company is responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The Board of Directors of the Company are also responsible for identifying and ensuring that the Company complies with the Act, the ICDR Regulations and the Guidance Note.

Auditor's Responsibility

4. We have examined such Restated Financial Statements taking into consideration:
- The terms of reference and terms of our engagement agreed with you vide our engagement letter dated October 19, 2024, in connection with the proposed Right Issue of equity shares of the Company;
 - The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
 - The requirements of Section 26 of the Act and applicable provisions of the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Proposed Right Issue of equity shares of the Company.
5. The Restated Financial Information have been compiled by the management from:
- Audited special purpose interim financial statements of the Company as at and for the period ended September 30, 2024 prepared in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2015 as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (IGAAP) which was approved by the Board of Directors at their meeting held on November 20, 2024 and
 - Audited Financial Statements of the Company as at and for years ended March 31, 2024, March 31, 2023 and March 31, 2022, prepared in accordance with the IGAAP which have been approved by the Board of Directors at their meeting held on May 17, 2024, August 18, 2023 and August 22, 2022 respectively.

6. For the purpose of our examination, we have relied on the Auditor's reports issued by Previous Auditor M/s. Rajiv Shah & Associates, dated August 18, 2023 and August 22, 2022 on the audited financial statements of the Company as at for the years ended March 31, 2023 and 2022 respectively, as referred in Paragraph 5 above.

The audited financial statements for the years ended March 31, 2023 and 2022 and the independent auditors' reports thereon issued by the Previous Auditor have been furnished to us by the Company. We have examined and reported on the restated financial information for the years ended March 31, 2023 and 2022. The adjustments in so far as it relates to the amounts, disclosures, material errors, regrouping, reclassification, etc., included in respect of the years ended March 31, 2023 and 2022 is restricted to and based solely on the audited financial statements and auditor's reports issued by the Previous Auditor for such years. We have not performed any additional procedures other than those stated herein and do not accept any responsibility of whatsoever nature in this regard.

Opinion

7. Based on the above and according to the information and explanations given to us, we report that the Restated Financial Statements:
- Have been prepared after incorporating adjustments for the change in accounting policies, material errors and regrouping / reclassifications, retrospectively in the financial years ended March 31, 2024, March 31 2023, March 31 2022 and Six month ended September 30, 2024 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the Six months period ended September 30, 2024.
 - Does not contain any qualifications which requires adjustments.
 - Have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.
8. The Restated Financial Statement does not reflect the effects of events that occurred subsequent to the respective dates of the report on the special purpose interim financial statements and audited financial statements mentioned in paragraph 5 above.
9. In our opinion, the Restated Financial Information, read with Summary of Significant Accounting Policies disclosed in Note 1, accompanying this report, are prepared after making adjustments and regroupings as considered appropriate have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or Previous Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.



Restriction on Use

12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document in connection with the Proposed Right Issue. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For T R Chadha & Co LLP
Chartered Accountants
FRN: - 006711N/ N500028



Brijesh Thakkar
(Partner)

Membership No.: 135556

UDIN: 24135556 BKABNX8825

Place: Ahmedabad

Date: November 20, 2024

ACCENT MICROCELL LIMITED
CIN: L24230GJ2012PLC069799
STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(₹ In Lakhs)

	Notes	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
A EQUITY AND LIABILITIES					
1 Shareholders' Funds					
(a) Share Capital	2	2,104.30	2,104.30	1,294.30	1,290.30
(b) Reserves and Surplus	3	15,715.36	14,279.11	3,125.61	1,919.02
		<u>17,819.66</u>	<u>16,383.41</u>	<u>4,419.91</u>	<u>3,209.32</u>
2 Non-Current Liabilities					
(a) Long Term Borrowings	4	113.63	149.81	547.41	693.18
(b) Deferred Tax Liabilities (Net)	5	99.34	86.14	113.33	124.17
(c) Long Term Provisions	6	106.29	78.81	64.40	42.30
		<u>319.26</u>	<u>314.76</u>	<u>725.14</u>	<u>859.66</u>
3 Current Liabilities					
(a) Short Term Borrowings	7	92.00	1,129.28	1,730.82	1,716.35
(b) Trade Payables					
(i) Dues to Micro Enterprise & Small Enterprises		296.34	166.59	-	-
(ii) Dues to Creditors other than Micro Enterprise & Small Enterprises	8	1,000.58	1,756.44	3,460.06	3,009.63
(c) Other Current Liabilities	9	1,058.48	691.19	1,018.74	623.35
(d) Short Term Provisions	6	50.28	42.30	55.01	42.75
		<u>2,497.67</u>	<u>3,785.80</u>	<u>6,264.63</u>	<u>5,392.07</u>
TOTAL - EQUITY AND LIABILITIES		<u>20,636.59</u>	<u>20,483.97</u>	<u>11,409.69</u>	<u>9,461.04</u>
B ASSETS					
1 Non Current Assets					
(a) Property, Plant & Equipment & Intangible Assets					
(i) Property, Plant & Equipment		4,611.00	2,902.33	3,029.09	3,006.12
(ii) Intangible Assets	10	1.11	1.43	1.81	2.98
(iii) Goodwill		-	-	-	2.44
(iv) Capital Work in progress		535.99	185.96	-	-
(c) Long Term Loans and Advances	11	460.05	902.66	72.62	-
(d) Other Non Current Assets	12	151.47	147.38	72.63	57.28
		<u>5,759.63</u>	<u>4,139.77</u>	<u>3,176.15</u>	<u>3,068.83</u>
2 Current Assets					
(a) Inventories	13	2,856.01	3,298.32	5,365.13	3,958.59
(b) Trade Receivables	14	5,161.12	5,380.42	2,391.91	1,704.48
(c) Cash and Bank Balances	15	6,171.43	7,249.39	204.00	282.66
(d) Short Term Loans and Advances	11	528.42	322.26	256.95	446.48
(e) Other Current Assets	16	159.98	93.81	15.54	-
		<u>14,876.96</u>	<u>16,344.20</u>	<u>8,233.54</u>	<u>6,392.22</u>
TOTAL - ASSETS		<u>20,636.59</u>	<u>20,483.97</u>	<u>11,409.69</u>	<u>9,461.04</u>
Significant accounting Policies	1				
See accompanying Notes to the Financial Statements	2 to 29				

As per our Report of even date

For T R Chadha & Co LLP
Chartered Accountants
Firm Regn. No.: 006711N / N500028

Brijesh Thakkar
Partner
Membership No. 135556

Place:- Ahmedabad
Date:- 20/11/2024



For and on behalf of the Board of Directors of
Accent Microcell Limited

Vanant Patel
Director
(DIN:05225561)

Place:- Ahmedabad
Date:- 20/11/2024

Nitin Patel
Director
(DIN:05225550)

Place:- Ahmedabad
Date:- 20/11/2024

Ghanshyam Patel
MD & CFO
(DIN:05225398)

Place:- Ahmedabad
Date:- 20/11/2024



Ms. Braham Pal Chhabra
Company Secretary
(Mem No: 55557)

Place:- Ahmedabad
Date:- 20/11/2024

ACCENT MICROCELL LIMITED
CIN: L24230GJ2012PLC069799
STATEMENT OF CASH FLOW AS RESTATED

Particulars	For the half year ended September 30, 2024	For the Year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
(₹ In Lakhs)				
(A) CASH FLOW FROM OPERATING ACTIVITIES				
(i) Profit before tax	1,949.75	4,251.08	1,549.10	758.92
Add: Adjustments for:				
- Bad debts	-	4.10	-	-
- Interest Income on Fixed Deposits	(214.04)	(106.61)	(6.46)	(6.25)
- Interest Income on Loans and Advances	-	(3.00)	-	-
- Sundry Balances written back	(5.96)	(85.18)	(0.62)	(3.66)
- Unrealised Loss/(Gain) on Foreign Exchange	(59.41)	(20.75)	-	-
- (Profit) / loss on sale / write off of assets	-	-	-	0.02
- CSR Expense	20.41	21.50	-	-
- Interest and Financial Charges	14.06	97.16	213.01	269.86
- Depreciation & Amortisation	204.40	442.86	413.27	414.70
- Provision for Doubtful Debts & Advances	-	21.26	-	-
(ii) Operating Profit before working capital changes	1,909.21	4,622.43	2,168.32	1,433.59
Change in Working Capital				
- Inventories	442.31	2,066.81	(1,406.54)	(803.41)
- Trade Receivables	278.72	(2,993.12)	(687.43)	(443.43)
- Short Term Loans & Advances	(206.16)	(65.30)	189.53	(30.41)
- Long Term Loans & Advances	-	-	(87.97)	(1.42)
- Trade Payable	(620.15)	(1,451.85)	451.05	1,177.82
- Short & Long Term Provisions	35.46	1.69	34.37	23.85
- Other Current Liability	253.97	(405.99)	390.03	296.19
- Other Current & Non Current Assets	(4.09)	(58.92)	(15.54)	-
Cash Generated from Operations	2,089.26	1,715.75	1,035.82	1,652.79
Less: Income Tax Paid	(385.81)	(608.45)	(253.59)	(165.69)
Less: CSR Paid	-	(21.50)	-	-
Net cash flow from / (Used in) Operating Activities (A)	1,703.45	1,085.80	782.23	1,487.10
(B) CASH FLOW FROM INVESTING ACTIVITIES				
- Purchase of fixed assets (Net) (including Advance)	(1,627.89)	(1,286.54)	(432.63)	(386.73)
- Loans (Given)/ Received back	-	-	-	2.97
- Bank deposits (with original maturity of more than three months) not considered as cash & cash equivalents	1,199.79	(6,916.32)	(2.90)	(52.46)
- Interest received on fixed deposits	147.86	15.80	6.46	6.25
Net cash flow from / (Used in) Investing Activities (B)	(280.24)	(8,187.06)	(429.08)	(429.97)
(C) CASH FLOW FROM FINANCING ACTIVITIES				
- Proceeds From Issue of Equity Shares (Net of Issue Exps.)	-	8,427.09	12.80	-
- Proceeds from borrowings	-	-	211.33	935.10
- Repayment of borrowings	(1,073.46)	(999.14)	(342.63)	(1,589.33)
- Dividend Paid	(210.43)	(103.54)	(103.22)	(43.01)
- Interest and Finance charges Paid	(17.50)	(94.08)	(212.99)	(269.46)
Net Cash flow from / (Used in) Financing Activities (C)	(1,301.39)	7,230.32	(434.72)	(966.69)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	121.83	129.07	(81.56)	90.44
Cash & Cash Equivalents at the Beginning of the Year	157.54	28.47	110.03	19.60
Cash & Cash Equivalents at the End of the Year	279.36	157.54	28.47	110.03

Components of Cash & Cash Equivalents:

1. Cash & Cash Equivalents include the following:

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Cash in hand	51.14	30.04	26.82	29.78
Balances with Schedule Banks				
In Current Accounts	227.35	126.60	0.57	79.22
In Cash Credit/OD Accounts	0.88	0.90	-	-
In Fixed Deposits	-	-	1.09	1.03
Total Cash and Bank Equivalents (As per Note 15)	279.36	157.54	28.47	110.03

Material accounting policies

See accompanying Notes to the Financial Statements

1

2 to 29

As per our Report of even date

For T R Chadha & Co LLP

Chartered Accountants

Firm Regn. No.: 006711N / N500028

Brijesh Thakkar
Partner
Membership No. 135556



Place:- Ahmedabad
Date:- 20/11/2024

For and on behalf of the Board of Directors
Accent Microcell Limited

Vasant Patel
Director
(DIN:05225561)

Place:- Ahmedabad
Date:- 20/11/2024

Nitin Patel
Director
(DIN:05225550)

Place:- Ahmedabad
Date:- 20/11/2024

Ghanshyam Patel
MD & CFO
(DIN:05225398)

Place:- Ahmedabad
Date:- 20/11/2024



Ms. Brahm Pal Chhabra
Company Secretary
(Mem No: 55557)

Place:- Ahmedabad
Date:- 20/11/2024

ACCENT MICROCELL LIMITED
CIN: L24230GJ2012PLC069799
STATEMENT OF PROFIT AND LOSS AS RESTATED

(₹ In Lakhs)

	Notes	For the half year ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Income					
I	Revenue from operations	17	12,603.67	26,073.65	20,418.76
II	Other Income	18	297.33	372.24	277.98
III	Total Income (I+II)		12,901.00	26,445.90	20,696.75
IV Expenses					
	Cost of materials consumed	19	5,393.57	9,270.26	11,572.81
	Purchase of stock-in-trade		2,959.70	3,860.74	1,910.16
	Changes in inventory of finished goods, work-in-progress, stock-in-trade	20	(520.12)	2,633.22	(972.74)
	Employee benefits expenses	21	645.21	1,052.65	866.13
	Finance costs	22	15.84	114.59	253.34
	Depreciation & Amortization expenses	23	204.40	442.86	413.27
	Other expenses	24	2,252.67	4,820.49	5,104.66
	Total Expenses (IV)		10,951.25	22,194.81	19,147.64
V	Profit before exceptional and extraordinary items and tax (III - IV)		1,949.75	4,251.08	1,549.10
VI	Exceptional Items		-	-	-
VII	Profit before extraordinary items and tax (V-VI)		1,949.75	4,251.08	1,549.10
VIII	Extraordinary Items		-	-	-
IX	Profit before Tax (VII-VIII)		1,949.75	4,251.08	1,549.10
X	Tax Expenses				
	Current Tax Expense for Current Year		506.96	638.62	259.58
	Current Tax Expense for Earlier Years		-	-	(0.65)
	MAT Credit Entitlement		(217.08)	-	-
	Deferred Tax		13.19	(27.19)	(10.84)
	Total Tax Expense		303.07	611.43	248.08
XI	Profit (Loss) for the period from continuing operations (IX-X)		1,646.68	3,639.65	1,301.02
XII	Profit/(loss) from discontinuing operations		-	-	-
XIII	Tax expense of discontinuing operations		-	-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-	-
XV	Profit/(loss) for the Period (XI+ XIV)		1,646.68	3,639.65	1,301.02
Earnings per Share					
	Nominal Value per Share (₹)	25	10.00	10.00	10.00
	Basic Earnings per Share (₹)		7.83	22.53	10.06
	Diluted Earnings per Share (₹)		7.83	22.53	10.06
	Significant accounting Policies	1			
	See accompanying Notes to the Financial Statements	2 to 29			

As per our Report of even date

For T R Chadha & Co LLP

Chartered Accountants
Firm Regn. No.:- 006711N / N500028

Brijesh Thakkar
Partner
Membership No. 135556

Place:- Ahmedabad
Date:- 20/11/2024



For and on behalf of the Board of Directors

Accent Microcell Limited

Vasant Patel
Director
(DIN:05225561)

Place:- Ahmedabad
Date:- 20/11/2024

Nitin Patel
Director
(DIN:05225550)

Place:- Ahmedabad
Date:- 20/11/2024

Ghanshyam Patel
MD & CFO
(DIN:05225398)

Place:- Ahmedabad
Date:- 20/11/2024

Ms. Braham Pal Chhabra
Company Secretary
(Mem No: 55557)

Place:- Ahmedabad
Date:- 20/11/2024



Company Overview**Nature of Business**

The company was incorporated as Accent Microcell Private Limited in the year 2012. Subsequently, during the year 2023 – 2024, the company was converted into public company (referred to as "Accent Microcell Limited") vide order dated 23/12/2023 of Regional Director (MCA). The company is engaged in the manufacturing business of Pharmaceutical Excipients Range of Products.

These restated financial statements are presented in Indian Rupees ('Rupees' or 'Rs.' or 'INR') and are rounded to the nearest lakhs, except per share data and unless stated otherwise.

1 SIGNIFICANT ACCOUNTING POLICIES

The Significant accounting policies have been predominantly presented below in the order of the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

1.1 Basis of Accounting and Preparation of restated financial statements

The restated financial statements of the Company comprise restated financial statement for the Six months period ended September 30, 2024, for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 that had been previously prepared and audited as per the requirements of Companies Act, 2013 and now restated as per the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the SEBI ICDR Regulations) issued by the Securities and Exchange Board of India (SEBI) on September 11, 2018 as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 and Guidance note on reports in Company Prospectus (Revised 2019) (Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). The restated financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of restated financial statements are consistent with those of previous years.

These Statements have been prepared by the Management for the purpose of inclusion in the Letter of Offer ("LOO") in connection with its proposed Right Issue offering of equity shares.

a) The Restated Financial Information have been compiled by the Management from:

i) Audited special purpose interim restated financial statements of the Company as at and for the Six months period ended September 30, 2024 prepared in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2006 as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (IGAAP) which was approved by the Board of Directors at their meeting held on October 29, 2024 and

ii) Audited restated financial statements of the Company as at and for years ended March 31, 2024, March 31, 2023 and March 31, 2022, prepared in accordance with the IGAAP which has been approved by the Board of Directors at their meeting held on May 17, 2024, August 18, 2023 and August 22, 2022 respectively.

b) The Restated Financial Information have been prepared to contain information/disclosures and incorporating adjustments set out below in accordance with the ICDR Regulations:

i) Adjustments to the profits or losses of the earlier years for the changes in accounting policies if any to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years and of material errors, if any;

ii) Adjustments for reclassification/regroupings of the corresponding items of income, expenses, assets and liabilities retrospectively in the Six months period/years ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, in order to bring them in line with the groupings as per the Restated Financial Information of the Company for the period ended September 30, 2024 and the requirements of the SEBI Regulations, if any; and

iii) The resultant impact of tax due to the aforesaid adjustments, if any

1.2 Use of estimates

The preparation of restated financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities as on the date of the reporting period. The estimates and assumptions used in the accompanying restated financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of restated financial statements which in management's opinion are prudent and reasonable. Actual results may differ from the estimates used in preparing the accompanying restated financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

1.3 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

i) Sales

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects Goods and Service tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

ii) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

iii) Export Benefit

Export Incentives in form of MEIS \ RoDTEP (effective from 01/01/2022) Income is recognized in books of account on accrual basis.

iv) Dividend Income

Dividend income on investments is accounted for when the right to receive the payment is established.



1.4 Property, Plant & Equipment and Capital Work in Progress

Tangible Assets are stated at cost of acquisition/construction less accumulated depreciation, amortization and impairment loss (if any). Cost comprises of purchase price, import duties and other non-refundable taxes or levies and any directly attributable cost to bring the assets ready for their intended use. Direct expenses, as well as pro rata identifiable indirect expenses on projects during the year of construction are capitalized. Only expenditures that increase the future economic benefits from the existing asset beyond its previously assessed standard of performance is included in the gross book value, e.g., an increase in capacity. The cost of an addition or extension to an existing asset which is of a capital nature and which becomes an integral part of the existing asset is added to its gross book value. Any addition or extension, which has a separate identity and is capable of being used after the existing asset is disposed off, is accounted for separately. The fixed assets retired from active use are stated at net book value or net realizable value, whichever is lower. The loss arising due to write-down is recognized in the statement of profit and loss. An item of fixed asset is eliminated from the restated financial statements on disposal. Gains or losses arising on disposal are recognized in the statement of profit and loss.

Capital Work In progress stated at cost less impairment losses, if any, cost comprises of expenditures incurred in respect of capital projects under development and includes any attributable/allocable cost and other incidental expenses.

1.5 Depreciation /Amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on all the tangible fixed assets is provided on Written Down Value (WDV) Method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Any addition or extension to an existing asset which is of a capital nature and which becomes an integral part of the existing asset is depreciated at the rate which is applied to the existing asset. Depreciation on sale of assets is provided till the date of sale. Depreciation on tangible assets is ceased when a fixed asset is retired from active use and held for disposal or is disposed off.

Intangible fixed assets in the nature of software are amortized over a period of time from the date of addition. Goodwill is amortized over a period of 10 years. Amortization of an intangible asset commences when the asset is available for use and ceases when the asset is retired from active use or is disposed off. Residual value for the purpose of amortization is taken as zero. At each balance sheet date, the company reviews the amortization period and amortization method.

1.6 Impairment of property plant and equipment (PPE) and intangible assets (IA)

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the assets recoverable amount. An assets recoverable amount is the higher of an assets or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on PPE and IA, are recognized in the statement of profit and loss.

1.7 Investments

Investments which are intended for sale/maturing within twelve months are classified as Current Investments. Others are classified as Long-Term Investments. Cost of Investments comprises of the purchase price and any directly attributable expenses incurred.

Current Investments are carried at the lower of cost and fair value computed individually. Long term investments are carried at cost. Provision for diminution in value of long-term investments is made, only if, in the opinion of the management, such a decline is regarded as being other than temporary.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.8 Inventories

Cost of inventories comprises of cost of purchase and all costs incurred in bringing them to their respective present location and condition. Cost has been determined as under:

- i) Raw Material on FIFO basis
- ii) Packing Material is valued on FIFO basis.
- iii) Stock in process- Raw material cost and proportionate conversion cost
- iv) Goods-in-Transit is valued at purchase cost.
- v) Finished Goods - at cost or net realizable value whichever is less.

1.9 Foreign Currency Transactions

Initial Recognition

Foreign currency transactions are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Measurement

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined. All other exchange differences are recognized as income or as expenses in the period in which they arise.

2.0 Leases

Rent, Rates and Taxes (including lease rent) represent operating leases which are recognized as an expense respectively in the Statement of Profit and Loss. Erstwhile, Lease charges paid at the onset of the agreement is amortized over the period of lease on straight line basis.



2.1 Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.2 Taxation

Tax expense comprises of current and deferred tax.

Current Tax

Provision for current tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the prevailing tax laws.

In accordance with and subject to fulfilment of conditions as laid out under Section 10AA of the Income-Tax Act, 1961 (‘T Act’) the Company is entitled to claim deduction for profit and gains derived from export of goods provided by its unit set up in special economic zone, subject to fulfilment of the conditions prescribed under the law in this regard.

Deferred Tax

Deferred tax liability or asset is recognized for timing differences between the profits / losses offered for income tax and profits / losses as per the restated financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax asset is recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax asset is recognized only if there is a virtual certainty of realization of such asset. Deferred tax asset is reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably / virtually certain to be realized.

2.3 Provisions, Contingent Liabilities & Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company. When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent asset is neither recognized nor disclosed in the restated financial statement.

2.4 Cash Flow Statements

Cash Flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

2.5 Cash & Cash Equivalent

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.6 Earnings per Share

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The numbers of equity shares are adjusted for share splits and bonus shares, as appropriate.

For the purpose of calculating the diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.7 Segment Reporting

The accounting policies used in the preparation of the restated financial statements of the company are also applied for segment reporting. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relates to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under* Unallocated income/expenses*.

Accent Microcell Limited has 2 units. Thus the company shall report as per its geographical location of productions in accordance with AS-17.

2.8 Employee Benefits

Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions to the scheme are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Gratuity liability is a defined benefit obligation and is provided on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Leave encashment is recognized as a liability as per rules of the company. Accumulated leave can be availed at any time during the tenure of employment but can be encashed only on the completion of service. Liability for the same is recognized on accrual basis.

Actuarial gains / losses are immediately taken to the profit and loss account and are not deferred.



2.9 Current and Non Current Classification

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

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

- a) It is expected to be realized or intended to be sold or consumed in the Company's normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is expected to be realized within twelve months after the reporting period, or
- d) It is a cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

An liability is classified as current if it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period
- d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current. Current liabilities include current portion of non-current financial liabilities.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



ACCENT MICROCELL LIMITED
Notes forming part of financial statement as Restated

	As At September 30, 2024	As At March 31, 2024	As At March 31, 2023	(₹ In Lakhs) As At March 31, 2022
2) SHARE CAPITAL				
2.1 EQUITY SHARE CAPITAL				
Authorised Shares Capital				
2,50,00,000 Equity Shares (As at March 31, 2024 2,20,00,000, As at March 31, 2023 1,29,50,000, As at March 31, 2022 1,29,50,000) of INR10/- each	2,500.00	2,200.00	1,295.00	1,295.00
	<u>2,500.00</u>	<u>2,200.00</u>	<u>1,295.00</u>	<u>1,295.00</u>
Issued, Subscribed and paid-up				
Equity Share Capital				
2,10,43,000 Equity shares (As at March 31, 2024 2,10,43,000, As at March 31, 2023 1,29,43,000, As at March 31, 2022 1,29,03,000) of INR10/- each fully paid up	2,104.30	2,104.30	1,294.30	1,290.30
Total	<u>2,104.30</u>	<u>2,104.30</u>	<u>1,294.30</u>	<u>1,290.30</u>

2.2 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 30th September 2024		As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	No of Shares	₹ In Lakhs	No of Shares	₹ In Lakhs	No of Shares	₹ In Lakhs	No of Shares	₹ In Lakhs
At the beginning of the year	2,10,43,000	2,104.30	1,29,43,000	1,294.30	1,29,03,000	1,290.30	43,01,000	430.10
Add : Shares Issued during the year	-	-	81,00,000	810.00	40,000	4.00	86,02,000	860.20
Less : Shares Bought back during the year	-	-	-	-	-	-	-	-
Equity Share Outstanding at the end of the year	2,10,43,000	2,104.30	2,10,43,000	2,104.30	1,29,43,000	1,294.30	1,29,03,000	1,290.30

2.3 Details of shares held by each shareholder holding more than 5% shares:

Name of Shareholders	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Equity Share								
Ghanshyam A.Patel	26,30,400	12.50%	26,30,400	12.50%	25,79,400	19.93%	25,79,400	19.99%
Vinod M Patel	32,28,000	15.34%	32,28,000	15.34%	32,28,000	24.94%	32,28,000	25.02%
Nitin J Patel	32,81,000	15.59%	32,81,000	15.59%	32,28,000	24.94%	32,28,000	25.02%
Kantilal P Vadi	19,33,500	9.19%	19,33,500	9.19%	19,33,500	14.94%	19,33,500	14.98%
Vasant V Patel	19,34,100	9.19%	19,34,100	9.19%	19,34,100	14.94%	19,34,100	14.99%
	<u>1,30,07,000</u>	<u>61.81%</u>	<u>1,30,07,000</u>	<u>61.81%</u>	<u>1,29,03,000</u>	<u>99.69%</u>	<u>1,29,03,000</u>	<u>100.00%</u>

2.4 Details of shares held by Promoter and Promoter Group in the Company

Name of Shareholders	As at September 30, 2024		As at March 31, 2024		% Change during the year	As at March 31, 2023		% Change during the year	As at March 31, 2022		% Change during the year
	No. of shares	% holding	No. of shares	% holding		No. of shares	% holding		No. of shares	% holding	
Equity Share											
Ghanshyam A.Patel	26,30,400	12.50%	26,30,400	12.50%	0.00%	25,79,400	19.93%	-0.06%	25,79,400	19.99%	-
Vinod M Patel	32,28,000	15.34%	32,28,000	15.34%	0.00%	32,28,000	24.94%	-0.08%	32,28,000	25.02%	-
Nitin J Patel	32,81,000	15.59%	32,81,000	15.59%	0.00%	32,28,000	24.94%	-0.08%	32,28,000	25.02%	-
Vasant V Patel	19,34,100	9.19%	19,34,100	9.19%	0.00%	19,34,100	14.94%	-0.05%	19,34,100	14.99%	-
Shalleshbbhai Arjanbbhai Patel	1,57,000	0.75%	1,57,000	0.75%	0.00%	8,000	0.06%	0.06%	-	-	-
Jitendra Vadilal Patel	81,000	0.38%	81,000	0.38%	0.00%	6,000	0.05%	0.05%	-	-	-
Arvindkumar Manibhai Patel	1,35,000	0.64%	1,35,000	0.64%	0.00%	10,000	0.08%	0.08%	-	-	-
Shrey Vinodkumar Chhabbbhaiya	5,000	0.02%	5,000	0.02%	0.00%	-	-	-	-	-	-
Rajen Arvindbbhai Chhabbbhaiya	5,000	0.02%	5,000	0.02%	0.00%	-	-	-	-	-	-
Jyotiben Ghanshyambbbhai Patel	20,000	0.10%	20,000	0.10%	0.00%	-	-	-	-	-	-
Kanchanben Shalleshbbhai Patel	20,000	0.10%	20,000	0.10%	0.00%	-	-	-	-	-	-
Chetanaben Jitendrakumar Patel	13,000	0.06%	13,000	0.06%	0.00%	-	-	-	-	-	-
Jahnavi Ghanshyambbbhai Patel	20,000	0.10%	20,000	0.10%	0.00%	-	-	-	-	-	-
Sampj Vasantbbhai Patel	13,000	0.06%	13,000	0.06%	0.00%	-	-	-	-	-	-
Het Ghanshyambbbhai Patel	31,000	0.15%	31,000	0.15%	0.00%	-	-	-	-	-	-
Princy Shalleshbbhai Patel	20,000	0.10%	20,000	0.10%	0.00%	-	-	-	-	-	-
	<u>1,15,93,500</u>	<u>55.09%</u>	<u>1,15,93,500</u>	<u>55.09%</u>	<u>0.00%</u>	<u>1,09,93,500</u>	<u>84.94%</u>	<u>-0.08%</u>	<u>1,09,69,500</u>	<u>85.02%</u>	<u>-</u>

2.5 The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares shall have one vote for each share of which he is a holder. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be proportionate to the number of equity shares held by the shareholders.

Note for Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

As at As at As at As at



Particulars	September 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	No of Shares	₹ In Lakhs	No of Shares	₹ In Lakhs	No of Shares	₹ In Lakhs	No of Shares	₹ In Lakhs
At the beginning of the year	86,02,000	860.20	86,02,000	860.20	86,02,000	860.20	-	-
Add : Bonus Shares Issued during the year	-	-	-	-	-	-	86,02,000	860.20
Equity Share Outstanding at the end of the year	86,02,000	860.20	86,02,000	860.20	86,02,000	860.20	86,02,000	860.20

2.7 Calls unpaid : NIL; Forfeited Shares : NIL

3) RESERVE AND SURPLUS

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Securities Premium Account				
Opening Balance	7,703.89	86.80	78.00	938.20
Less : Utilised for Issue of Bonus Shares	-	-	-	(860.20)
Less : Shares issue expenditure	-	(662.91)	-	-
Add: Received on allotment on Equity Shares	-	8,280.00	8.80	-
Closing Balance	7,703.89	7,703.89	86.80	78.00
Retained Earning				
Opening Balance	6,575.21	3,038.81	1,841.02	1,294.72
Less: Changes in Accounting Estimates & Errors	-	0.29	-	-
Add: Profit/(Loss) for the year	1,646.68	3,639.65	1,301.02	589.31
Less: Dividend Paid	(210.43)	(103.54)	(103.22)	(43.01)
Closing Balance	8,011.47	6,575.21	3,038.81	1,841.02
Total	15,715.36	14,279.11	3,125.61	1,919.02
Distributions Proposed:				

For the Half Year Ended on September 2024, Company has proposed dividend of ₹ Nil per equity share (₹ 1.00 for 23-24, ₹ 0.80 for 22-23, ₹ Nil for 21-22) to equity shareholder. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.



	(₹ In Lakhs)			
	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
4) LONG TERM BORROWINGS				
(a) Term Loan				
Secured				
- From Bank	203.72	285.94	518.51	597.05
Less: Current Maturity of Long Term Debt	(92.00)	(138.45)	(270.30)	(273.38)
(b) Others				
Unsecured				
- From Directors	1.91	2.32	278.77	346.32
- From Related Parties	-	-	20.43	23.20
Total	<u>113.63</u>	<u>149.81</u>	<u>547.41</u>	<u>693.18</u>
Note:				
Refer Note 4.1 and 4.2 for Details of security, Interest rate & repayment terms				
5) DEFERRED TAX LIABILITY (NET)				
Deferred Tax Liability				
On difference between book balance and tax balance of fixed assets	157.69	111.02	148.10	148.94
Gross Deferred Tax Liability (a)	<u>157.69</u>	<u>111.02</u>	<u>148.10</u>	<u>148.94</u>
Deferred Tax Assets				
Provision for Compensated leave and gratuity	39.41	21.16	28.92	20.65
Provision for Doubtful Debt	12.85	3.71	5.85	4.11
Others	6.10	-	-	-
Gross Deferred Tax Asset (b)	<u>52.25</u>	<u>24.87</u>	<u>34.77</u>	<u>24.77</u>
DEFERRED TAX LIABILITY (NET)	<u>99.34</u>	<u>86.14</u>	<u>113.33</u>	<u>124.17</u>
6) PROVISIONS				
Long term Provisions				
Provision for Employee benefits				
- Provision for Gratuity	45.24	28.60	23.17	10.41
- Provision for Leave Encashment	61.05	50.21	41.23	31.90
Total Long term Provisions	<u>106.29</u>	<u>78.81</u>	<u>64.40</u>	<u>42.30</u>
Short term Provisions				
Provision for Employee benefits				
- Provision for Gratuity	36.51	30.71	25.54	21.70
- Provision for Leave Encashment	13.77	11.59	9.37	6.92
- Provision for Bonus	-	-	20.10	14.12
Total	<u>50.28</u>	<u>42.30</u>	<u>55.01</u>	<u>42.75</u>
7) SHORT TERM BORROWINGS				
Secured:				
- From Bank		990.83	1,460.53	687.67
Unsecured:				



ACCENT MICROCELL LIMITED
Notes forming part of financial statement as Restated

- From Bank	-	-	-	755.30
	-	990.83	1,460.53	1,442.97
Current maturities of long term borrowings	92.00	138.45	270.30	273.38
Total	92.00	1,129.28	1,730.82	1,716.35

Note:

Refer Note 4.1 for Details of security, Interest rate & repayment terms

8) TRADE PAYABLE

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(i) Total outstanding dues of micro enterprises and small enterprises; and	296.34	166.59	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,000.58	1,756.44	3,460.06	3,009.63
Total	1,296.92	1,923.03	3,460.06	3,009.63

8.1) Disclosures under Micro, Small & Medium Enterprise Development Act, 2006

Under the Micro, Small & Medium Enterprises Development Act, 2006 which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small & Medium Enterprises. The Company did not had the relevant information from its suppliers about their coverage under the said Act as on March 31, 2023 & March 31, 2022. Since the relevant information is not readily available, no disclosures have been made in the accounts.

Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 at September 30, 2024 & March 31, 2024 are as under:

Particulars	September 30, 2024	March 31, 2024
a) Principal amount due to suppliers under MSMED Act, 2006	296.34	166.59
b) Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	0.13	-
c) Payment made to suppliers (other than interest) beyond the appointed day during the year	-	-
d) Interest paid to suppliers under MSMED Act (Section 16)	-	-
e) Interest due and payable towards suppliers under MSMED Act for payments already made	-	-
f) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (including interest mentioned in (e) above)	0.13	-

8.2) Ageing of Trade Payables Outstanding

Particulars	Outstanding as on 30th September 2024 for following periods from the transaction date					Total
	Unbilled Dues	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
(a) MSME	-	295.89	0.45	-	-	296.34
(b) Others	44.58	944.66	3.70	0.23	7.41	1,000.58
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	44.58	1,240.55	4.15	0.23	7.41	1,296.92

Particulars	Outstanding as on 31st March 2024 for following periods from the transaction date					Total
	Unbilled Dues	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
(a) MSME	-	166.59	-	-	-	166.59
(b) Others	129.30	1,616.39	1.87	0.30	8.58	1,756.44
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	129.30	1,782.98	1.87	0.30	8.58	1,923.03

Particulars	Outstanding as on 31st March 2023 for following periods from the transaction date					Total
	Unbilled Dues	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
(a) MSME	-	166.59	-	-	-	166.59
(b) Others	129.30	1,616.39	1.87	0.30	8.58	1,756.44
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	129.30	1,782.98	1.87	0.30	8.58	1,923.03

(a) MSME	-	-	-	-	-	-
(b) Others	45.50	3,306.32	4.81	0.77	102.66	3,460.06
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	45.50	3,306.32	4.81	0.77	102.66	3,460.06

Outstanding as on 31st March 2022 for following periods from the transaction date

Particulars	Unbilled Dues	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	Total
(a) MSME	-	-	-	-	-	-
(b) Others	23.96	2,870.51	6.20	3.81	105.15	3,009.63
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	23.96	2,870.51	6.20	3.81	105.15	3,009.63

9) OTHER CURRENT LIABILITIES

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Statutory Liabilities	155.80	111.06	22.81	31.58
Payable to Employees	144.35	112.12	70.80	63.85
Advances from Customers	558.10	381.24	916.80	519.12
Interest accrued but not due on borrowing	0.57	4.01	0.94	0.92
Interest Payable to MSME Supplier	0.13	-	-	-
Unspent CSR Liability	20.41	-	-	-
Payable towards Capital Goods	21.48	46.27	1.07	6.90
Provision for Income-Tax	157.63	36.48	6.31	0.97
Total	1,058.48	691.19	1,018.74	623.35



ACCENT MICROCELL LIMITED

Notes forming part of financial statement as Restated

4.1) Details of Secured Loan

(₹ In Lakhs)

Sr. No.	Name of Lender	Nature of Facility	Sanctioned Limit	As at 30th September 2022	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022	Rate of Interest	Repayment Terms	Security Given	
1	Ratnakar Bank	Loan against property	81.79	-	-	-	22.60	11.50%	96 Equated monthly installments	Office No. 315, 3rd Floor, Shangrilla Arcade Complex, Shyamal Cross Roads, Anandnagar road, Satellite, Ahmedabad - 380015.	
2	Ratnakar Bank	Foreign currency term loan	296.00	-	-	-	-	4.62%	Maximum balance tenor of 55 months with last installment due in Nov 21	Primary Security: Plant & machinery, prefabricated shed, machinery spares & tools accessories, office equipment, computers, furnitures & fixtures both present & future funded by RBL bank situated at dahej plant. Subservient charge on entire current assets of the company. Collateral Security: First charge by way of mortgage on all immovable properties of the borrower both present & future situated at P.No.Z/59,60,63,64 Dahej Sez Taluka Vagara Dist Bharuch admeasuring 20060.45 sq meters including factory shed building and all structure thereon.	
3	Ratnakar Bank	Foreign currency term loan	250.00	-	-	-	19.55	4.50%	60 equal installments from the first date of disbursement		
4	Ratnakar Bank	Term Loan	168.90	-	-	-	50.04	8.90%	60 equal installments		
5	Ratnakar Bank	Term Loan	100.00	-	-	-	60.00	8.75%	48 equal installments		
6	Ratnakar Bank	Term Loan	237.42	-	-	-	159.66	8.75%	36 equal installments		
7	Ratnakar Bank	WCTL	143.00	-	-	-	115.19	9.25%	48 months (including a moratorium of 12 months) from the date of first disbursement.		
8	Kotak Mahindra Bank	Term Loan GBCL	136.31	40.44	69.49	123.60	170.00	K_EBLR + 1% p.a.	48 months (including the 12 month moratorium period)	100% Guaranteed by National Credit Guarantee Trustee Company Ltd (NCGTC). Second charge on the below offered securities for existing limits. Second charge over all immovable properties of the borrower, both present and future, situated at P. No Z/59, Z/60, Z/63 and Z/64, Dahej Sez, Tai Vagara, Dist Bharuch admeasuring 20012.17 sq meters including factory shed building and all structure thereon. Second charge on all immovable properties owned by Mr. Vasant Patel and Mr. Ghanshyam Patel, both present and future, situated at office no. 314, Shangrilla Arcade, Nr. Shyamal Cross road, Satellite, Ahmedabad. Second Charge on all immovable properties owned by Mr. Nitin Patel, Mr. Vasant Patel, Mr. Ghanshyam Patel and Mr. Vinod Patel, situated at office no. 314/ A, Shangrilla Arcade, Near Shyamal Cross road, Satellite, Ahmedabad. Second charge on current assets of the borrower both present and future. Second charge all movables including plant and machinery, prefabricated factory shed, machinery spares, tools and accessories, office equipment, computers, furniture and fixtures, both present and future funded by RBL Bank situated at Dahej Plant.	
9	Kotak Mahindra Bank	Term Loan	40.00	-	6.67	33.33	-	Repo+2.60% p.a.	48 equal installments		
10	Kotak Mahindra Bank	Term Loan	99.78	-	-	79.83	-	Repo+2.60% p.a.	36 equal installments		
11	Kotak Mahindra Bank	Term Loan	21.89	-	-	12.51	-	Repo+2.60% p.a.	60 equal installments		
12	Kotak Mahindra Bank	Term Loan	497.00	163.28	189.06	201.13	-	Repo+2.60% p.a.	60 equal installments		
13	Kotak Mahindra Bank	Term Loan	79.38	-	20.72	68.11	-	Repo+2.60% p.a.	48 equal installments		
14	Kotak Mahindra Bank	Cash Credit	2,050.00	-	990.83	1,460.53	687.67	Repo+2.70% p.a.	Repayable on Demand		
15	Standard Chartered	Unsecured Loan	1,000.00	-	-	-	755.30	Spread + LIBOR	90 days from Each Drawdown		No Collateral Provided
Total				203.72	1,276.77	1,979.04	2,040.02				

4.2) Details of Unsecured Loan

Sr. No.	Name of Lender	Nature of Facility	As at 30th September 2024	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022	Rate of Interest	Repayment Terms
1	Ghanshyam Patel	Unsecured Loan from Director	0.41	0.82	113.58	65.27	Nil (2023-24 Nil, 2022-23 @12%, 2021-22 @12%)	Repayable after 3 years
2	Vinod Patel	Unsecured Loan from Director	0.50	0.50	57.45	74.41	Nil (2023-24 Nil, 2022-23 @12%, 2021-22 @12%)	Repayable after 3 years
3	Nitin Patel	Unsecured Loan from Director	0.50	0.50	75.85	116.99	Nil (2023-24 Nil, 2022-23 @12%, 2021-22 @12%)	Repayable after 3 years
4	Vasant Patel	Unsecured Loan from Director	0.50	0.50	38.39	89.64	Nil (2023-24 Nil, 2022-23 @12%, 2021-22 @12%)	Repayable after 3 years
5	Kantilal P Vadi	Unsecured Loan from Related Party	-	-	13.94	-	Nil (2023-24 Nil, 2022-23 @12%, 2021-22 Nil)	Repayable after 3 years
6	Subhadra Patel	Unsecured Loan from Related Party	-	-	-	12.70	Nil	Repayable on Demand
7	Vasant P Patel	Unsecured Loan from Related Party	-	-	-	6.50	Nil	Repayable on Demand
8	Microfab	Unsecured Loan from Related Party	-	-	-	4.00	Nil	Repayable on Demand
Total			1.91	2.32	299.20	369.52		

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ACCENT MICROCELL LIMITED
Notes forming part of financial statement as Restated

Note 10: PROPERTY PLANT AND EQUIPMENTS

The changes in the carrying value of property plant and equipments for the Half year ended on September 30, 2024 are as follows:

PARTICULARS	Useful Life	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS ON 01.04.2024	ADDITION	SALE / ADJUSTMENT	AS ON 30.9.2024	AS ON 01.04.2024	For the Period	SALE / ADJUSTMENT	AS ON 30.9.2024	AS ON 30.9.2024	AS ON 31.3.2024
(A) TANGIBLE ASSETS :											
FREE HOLD LAND	NA	2.78	1,704.86	-	1,707.65	-	-	-	-	1,707.65	2.78
LEASE HOLD LAND	NA	300.99	-	-	300.99	107.49	5.39	-	112.88	188.10	193.49
BUILDING	30 / 60	1,767.44	57.36	(3.62)	1,821.17	1,035.48	35.71	-	1,071.19	749.99	731.96
PLANT & MACHINERY	15	3,831.22	144.09	-	3,975.30	2,054.73	133.89	-	2,188.63	1,786.68	1,776.48
FURNITURE & FIXTURES	10	96.07	0.46	-	96.53	66.07	2.53	-	68.60	27.94	30.00
VEHICLES	8/10	118.24	0.84	(0.39)	118.69	69.37	7.53	-	76.90	41.79	48.86
ELECTRICAL INSTALLATION	10	223.49	2.00	-	225.48	161.29	8.62	-	169.91	55.57	62.19
COMPUTER	3 / 6	113.29	4.59	-	117.88	99.14	4.20	-	103.34	14.55	14.16
OTHER EQUIPMENT	15	23.59	0.86	-	24.45	16.69	0.52	-	17.21	7.24	6.90
OFFICE EQUIPMENT	5	92.56	1.70	-	94.26	57.06	5.69	-	62.75	31.51	35.50
Subtotal (Tangible Assets)		6,569.66	1,916.76	(4.01)	8,482.41	3,667.32	204.08	-	3,871.40	4,611.00	2,902.33
(B) INTANGIBLE ASSETS :											
Software		9.42	-	-	9.42	7.99	0.32	-	8.31	1.11	1.43
Goodwill (Refer Note 30)		22.44	-	-	22.44	22.44	-	-	22.44	(0.00)	(0.00)
Subtotal (Intangible Assets)		31.86	-	-	31.86	30.42	0.32	-	30.75	1.11	1.43
Capital work in Progress		185.96	350.03	-	535.99	-	-	-	-	535.99	185.96
Total		6,787.48	2,266.79	(4.01)	9,050.26	3,697.75	204.40	-	3,902.15	5,148.11	3,089.73



The changes in the carrying value of property plant and equipments for the year ended 31, 2024 are as follows:

(₹ In Lakhs)

PARTICULARS	Useful Life	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS ON 01.04.2023	ADDITION	SALE / ADJUSTMENT	AS ON 31.03.2024	AS ON 01.04.2023	For the Period	SALE / ADJUSTMENT	AS ON 31.03.2024	AS ON 31.03.2024	AS ON 31.03.2023
(A) TANGIBLE ASSETS :											
FREE HOLD LAND	NA	2.78	-	-	2.78	-	-	-	-	2.78	2.78
LEASE HOLD LAND	NA	300.99	-	-	300.99	96.75	10.75	-	107.49	193.49	204.24
BUILDING	30 / 60	1,754.75	12.68	-	1,767.44	956.91	78.56	-	1,035.48	731.96	797.84
PLANT & MACHINERY	15	3,670.99	160.23	-	3,831.22	1,769.87	284.87	-	2,054.73	1,776.48	1,901.12
FURNITURE & FIXTURES	10	83.29	12.78	-	96.07	60.40	5.67	-	66.07	30.00	22.88
VEHICLES	8/10	64.51	53.73	-	118.24	57.02	12.35	-	69.37	48.86	7.49
ELECTRICAL INSTALLATION	10	178.08	45.41	-	223.49	144.70	16.60	-	161.29	62.19	33.38
COMPUTER	3 / 6	107.51	5.78	-	113.29	82.70	16.44	-	99.14	14.16	24.81
OTHER EQUIPMENT	15	21.42	2.16	-	23.59	15.01	1.68	-	16.69	6.90	6.41
OFFICE EQUIPMENT	5	70.24	22.32	-	92.56	42.11	14.95	-	57.06	35.50	28.13
Subtotal (Tangible Assets)		6,254.56	315.10	-	6,569.66	3,225.47	441.85	-	3,667.32	2,902.33	3,029.09
(B) INTANGIBLE ASSETS :											
Software		8.78	0.64	-	9.42	6.97	1.01	-	7.99	1.43	1.81
Goodwill		22.44	-	-	22.44	22.44	-	-	22.44	(0.00)	(0.00)
Subtotal (Intangible Assets)		31.22	0.64	-	31.86	29.41	1.01	-	30.42	1.43	1.81
Capital work in Progress		-	185.96	-	185.96	-	-	-	-	185.96	-
Total		6,285.78	501.70	-	6,787.48	3,254.88	442.86	-	3,697.75	3,089.73	3,030.90

The changes in the carrying value of fixed assets for the year ended March 31, 2023 are as follows:

(₹ In Lakhs)

PARTICULARS	Useful Life	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS ON 01.04.2022	ADDITION	SALE / ADJUSTMENT	AS ON 31.03.2023	AS ON 01.04.2022	For the Period	SALE / ADJUSTMENT	AS ON 31.03.2023	AS ON 31.03.2023	AS ON 31.03.2022
(A) TANGIBLE ASSETS :											
FREE HOLD LAND	NA	2.78	-	-	2.78	-	-	-	-	2.78	2.78
LEASE HOLD LAND	NA	300.99	-	-	300.99	86.00	10.75	-	96.75	204.24	214.99



BUILDING	30 / 60	1,716.55	38.20	-	1,754.75	874.24	82.67	-	956.91	797.84	842.31
PLANT & MACHINERY	15	3,323.58	348.39	0.99	3,670.99	1,507.88	262.98	0.99	1,769.87	1,901.12	1,815.70
FURNITURE & FIXTURES	10	82.50	0.78	-	83.29	55.49	4.91	-	60.40	22.88	27.01
VEHICLES	8/10	64.23	-	(0.29)	64.51	54.03	2.99	-	57.02	7.49	10.19
ELECTRICAL INSTALLATION	10	170.35	7.73	-	178.08	131.42	13.28	-	144.70	33.38	38.93
COMPUTER	3 / 6	89.40	18.11	-	107.51	64.09	18.62	-	82.70	24.81	25.31
OTHER EQUIPMENT	15	19.47	1.96	-	21.42	13.34	1.67	-	15.01	6.41	6.13
OFFICE EQUIPMENT	5	52.09	18.15	-	70.24	29.32	12.79	-	42.11	28.13	22.77
Subtotal (Tangible Assets)		5,821.93	433.33	0.70	6,254.56	2,815.81	410.65	0.99	3,225.47	3,029.09	3,006.12
(B) INTANGIBLE ASSETS :											
Software		8.78	-	-	8.78	5.80	1.17	-	6.97	1.81	2.98
Goodwill		22.44	-	-	22.44	20.00	2.44	-	22.44	(0.00)	2.44
Subtotal (Intangible Assets)		31.22	-	-	31.22	25.80	3.61	-	29.41	1.81	5.42
Capital work in Progress		-	-	-	-	-	-	-	-	-	-
GRAND TOTAL		5,853.16	433.33	0.70	6,285.78	2,841.61	414.26	0.99	3,254.88	3,030.90	3,011.54

The changes in the carrying value of fixed assets for the year ended March 31, 2022 are as follows:

PARTICULARS	Useful Life	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS ON 01.04.2021	ADDITION	SALE / ADJUSTMENT	AS ON 31.03.2022	AS ON 01.04.2021	For the Period	SALE / ADJUSTMENT	AS ON 31.03.2022	AS ON 31.03.2022	AS ON 31.03.2021
(A) TANGIBLE ASSETS :											
FREE HOLD LAND	NA	2.78	-	-	2.78	-	-	-	-	2.78	2.78
LEASE HOLD LAND	NA	300.99	-	-	300.99	75.25	10.75	-	86.00	214.99	225.74
BUILDING	30 / 60	1,642.17	74.38	-	1,716.55	789.34	84.90	-	874.24	842.31	852.83
PLANT & MACHINERY	15	3,077.26	247.15	0.84	3,323.58	1,249.73	258.98	0.84	1,507.88	1,815.70	1,827.53
FURNITURE & FIXTURES	10	72.78	9.72	-	82.50	51.10	4.40	-	55.49	27.01	21.69
VEHICLES	8/10	64.23	-	-	64.23	49.49	4.55	-	54.03	10.19	14.74
ELECTRICAL INSTALLATION	10	155.92	14.43	-	170.35	117.61	13.81	-	131.42	38.93	38.31
COMPUTER	3 / 6	67.48	21.92	-	89.40	47.43	16.65	-	64.09	25.31	20.05
OTHER EQUIPMENT	15	17.67	1.79	-	19.47	11.75	1.59	-	13.34	6.13	5.92
OFFICE EQUIPMENT	5	34.76	17.33	-	52.09	20.99	8.33	-	29.32	22.77	13.77
Subtotal (Tangible Assets)		5,436.05	386.72	0.84	5,821.93	2,412.69	403.96	0.84	2,815.81	3,006.12	3,023.36



<u>(B) INTANGIBLE ASSETS :</u>											
Software		7.96	0.83	-	8.78	4.22	1.58	-	5.80	2.98	3.74
Goodwill		22.44	-	-	22.44	10.00	10.00	-	20.00	2.44	12.44
Subtotal (Intangible Assets)		30.40	0.83	-	31.22	14.22	11.58	-	25.80	5.42	16.18
		-	-	-	-	-	-	-	-	-	-
Capital work in Progress		-	-	-	-	-	-	-	-	-	-
GRAND TOTAL		5,466.44	387.55	0.84	5,853.16	2,426.91	415.54	0.84	2,841.61	3,011.54	3,039.54

Note 10.1: Ageing of Capital work in Progress

Particulars	Amount as on 30th September 2024				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Project In Process	535.99	-	-	-	535.99

Particulars	Amount as on 31st March 2024				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Project In Process	185.96	-	-	-	185.96

Note 10.2: There is no projects under Capital Work in Progress which is overdue in terms of timeliness or Cost.



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Notes forming part of financial statement as Restated

	As at September 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Non Current	Current	Non Current	Current	Non Current	Current	Non Current	Current
11) LOANS AND ADVANCES (Unsecured, considered good)								
Capital Advances	242.97	-	902.66	-	72.62	-	-	-
Advance to vendors								
- Considered Good	-	138.09	-	94.09	-	44.51	-	42.69
Prepaid Expenses	-	168.59	-	32.76	-	80.05	-	206.15
Balance with Government authorities	-	100.06	-	85.38	-	21.59	-	5.57
MAT Credit Entitlement	217.08	-	-	-	-	-	-	-
Loan to Employee	-	1.30	-	0.63	-	2.05	-	0.53
Export Incentive Receivable	-	120.38	-	109.40	-	108.75	-	191.54
Total	460.05	528.42	902.66	322.26	72.62	256.95	-	446.48
12) OTHER NON CURRENT ASSETS (Unsecured, considered good)								
Security deposits	151.47	-	147.38	-	72.63	-	57.28	-
Total	151.47	-	147.38	-	72.63	-	57.28	-



(₹ In Lakhs)

13) INVENTORIES	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Raw Materials	1,184.33	1,967.35	1,210.07	933.38
Raw Material in Transit	-	159.79	205.08	-
Packing Materials	35.69	45.59	110.56	118.52
Finished Goods	761.08	836.58	2,463.21	1,499.91
Stock in Trade	-	28.14	-	-
Finished Goods in transit	773.34	153.13	1,171.07	1,169.51
Work in Progress	33.17	29.62	46.41	38.53
Power and Fuel - Coal	22.58	13.11	158.73	198.74
Power and Fuel in transit	-	9.19	-	-
Stores & Spares	45.82	55.82	-	-
Total	2,856.01	3,298.32	5,365.13	3,958.59

14) TRADE RECEIVABLES	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Unsecured Considered Good	5,161.12	5,380.42	2,391.91	1,704.48
Unsecured Considered Doubtful	21.26	21.26	-	-
Less: Provision for Doubtful Debts	(21.26)	(21.26)	-	-
Total	5,161.12	5,380.42	2,391.91	1,704.48

14.1) Ageing of Trade Receivables

Particulars	Outstanding as on 30th September 2024 for following periods from the transaction date					Total
	Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable-Considered good	4,063.58	1,010.38	0.66	0.92	85.57	5,161.12
Undisputed trade receivable-Considered doubtful	-	-	4.44	-	16.82	21.26
Disputed Trade Receivable-Considered good	-	-	-	-	-	-
Disputed trade receivable-Considered doubtful	-	-	-	-	-	-
Less: Provision for Doubtful Debt	-	-	(4.44)	-	(16.82)	(21.26)
Total	4,063.58	1,010.38	0.66	0.92	85.57	5,161.12

Particulars	Outstanding as on 31st March 2024 for following periods from the transaction date					Total
	Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable-Considered good	5,253.23	40.52	0.23	1.28	85.17	5,380.42
Undisputed trade receivable-Considered doubtful	-	-	4.44	5.20	11.62	21.26
Disputed Trade Receivable-Considered good	-	-	-	-	-	-
Disputed trade receivable-Considered doubtful	-	-	-	-	-	-
Less: Provision for Doubtful Debt	-	-	(4.44)	(5.20)	(11.62)	(21.26)
Total	5,253.23	40.52	0.23	1.28	85.17	5,380.42

Particulars	Outstanding as on 31st March 2023 for following periods from the transaction date					Total
	Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable-Considered good	2,181.35	2.34	6.72	12.72	188.78	2,391.91
Undisputed trade receivable-Considered doubtful	-	-	-	-	-	-
Disputed Trade Receivable-Considered good	-	-	-	-	-	-

Disputed trade receivable-Considered doubtful	-	-	-	-	-	-
Total	2,181.35	2.34	6.72	12.72	188.78	2,391.91

Particulars	Outstanding as on 31st March 2022 for following periods from the transaction date					
	Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivable-Considered good	1,494.61	8.37	2.68	13.07	185.75	1,704.48
Undisputed trade receivable-Considered doubtful	-	-	-	-	-	-
Disputed Trade Receivable-Considered good	-	-	-	-	-	-
Disputed trade receivable-Considered doubtful	-	-	-	-	-	-
Total	1,494.61	8.37	2.68	13.07	185.75	1,704.48

15) CASH AND BANK BALANCES

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents				
Cash on hand	51.14	30.04	26.82	29.78
Balances with Banks:				
In Current Accounts	227.35	126.60	0.57	79.22
In Cash Credit/OD Accounts	0.88	0.90	-	-
In Fixed Deposits	-	-	1.09	1.03
	279.36	157.54	28.47	110.03
Other Bank Balances				
Balances with Banks:				
In Escrow Accounts	15.00	15.00	-	-
Deposits with original maturity for more than 3 months but less than 12 months				
In Fixed Deposits	5,877.07	7,076.86	175.53	172.63
Total	6,171.43	7,249.39	204.00	282.66

16) OTHER CURRENT ASSETS
(Unsecured, considered good)

	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Other Receivables	-	-	15.54	-
Interest accrued on Security Deposits	1.36	1.58	-	-
Interest accrued on Fixed Deposits	158.62	92.23	-	-
Total	159.98	93.81	15.54	-



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		(₹ In Lakhs)			
		For the period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
17)	REVENUE FROM OPERATIONS				
	Sale of Goods	12,603.67	26,073.65	20,418.76	16,571.13
	Total	12,603.67	26,073.65	20,418.76	16,571.13
18)	OTHER INCOME				
	Interest income on bank deposits	214.04	106.61	6.46	6.25
	Interest income on Loans & Advances	-	3.00	-	-
	Foreign Exchange Fluctuation Gain/Loss	59.41	160.59	261.15	166.77
	Sundry Balances written back (Net)	5.96	85.18	0.62	3.66
	Export Incentive	11.74	12.28	0.96	2.10
	Interest earned on security deposits	1.36	1.58	-	-
	Prior Period Income	3.19	0.22	-	-
	Sewage and Waste Collection Treatment Of HCL	-	-	0.41	-
	Profit on Sale of Fixed Assets	0.23	-	-	-
	Other Miscellaneous Income	1.40	2.78	8.40	4.07
	Total	297.33	372.24	277.98	182.84
19)	COST OF MATERIALS CONSUMED				
	Inventory at the beginning of the year	2,172.73	1,525.71	1,051.90	1,046.41
	Add: Purchases	4,626.05	10,425.00	12,046.62	9,191.86
		6,798.78	11,950.70	13,098.52	10,238.27
	Less: Sale of Raw Materials	185.20	507.71	-	-
	Less: Inventory at the end of the year	1,220.01	2,172.73	1,525.71	1,051.90
	Cost of materials consumed	5,393.57	9,270.26	11,572.81	9,186.37
19.1)	Details of Raw Material and Packing Material Consumed				
	Name of Items	For the period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
	Wood Pulp	3,542.39	6,500.69	7,615.11	6,191.39
	CCS (Wet Material SP)	717.73	816.27	142.12	170.25
	HDPE Plain Bag	-	277.05	-	-
	Pallet & ply	-	242.20	-	-
	Coal	-	-	-	-
	Semiprocess Cellulose	791.04	-	425.23	337.29
	CMC	-	-	434.00	218.10
	Fuel Oil	-	540.00	397.31	495.85
	Others	342.41	894.05	2,559.04	1,773.51
	Total	5,393.57	9,270.26	11,572.81	9,186.37



20) Changes In Inventories Of Finished Goods And Work-In-Progress

Particular	For the period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Inventories at the beginning of the year				
Work in Progress	29.62	46.41	38.53	19.50
Finished Goods	989.71	3,634.28	2,669.43	1,994.66
Stock in Trade	28.14	-	-	-
Total	1,047.47	3,680.69	2,707.95	2,014.16
Inventories at the end of the year				
Work in Progress	33.17	29.62	46.41	38.53
Finished Goods	1,534.43	989.71	3,634.28	2,669.43
Stock in Trade	-	28.14	-	-
Total closing balance	1,567.60	1,047.47	3,680.69	2,707.95
Total Changes In Inventories Of Finished Goods And Work-In-Progress	(520.12)	2,633.22	(972.74)	(693.79)



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(₹ In Lakhs)

21) EMPLOYEE BENEFITS EXPENSES	For the period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Salaries and Other Benefits	596.94	960.68	763.73	666.84
Contribution to Provident Fund and Other Funds	14.54	27.28	41.68	36.11
Staff Welfare Expenses	33.73	64.70	60.72	59.02
Total	645.21	1,052.65	866.13	761.97

21.1 Details of Employee Benefits:
I Defined Benefit Plan

The Company offers the following employee benefit schemes to its employees:

- Gratuity (funded)
- Leave Encashment (Unfunded)

The Company does have defined benefit plan as per accounting standard 15. The cost of providing benefits under this plan is determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains or losses are recognized in full in the period in which they occur in the statement of profit and loss. However the provision for gratuity liability has been provided for all the employees as follows:

(A) Reconciliation of Opening & Closing Balance of Defined Benefit Obligation

(₹ In Lakhs)

Particulars	Gratuity (Funded)			
	For the period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Present Value of Obligation at the beginning of the year	79.18	60.22	43.44	31.00
Interest Cost	2.85	4.43	2.91	1.94
Current Service Cost	6.60	10.80	9.27	7.85
Benefits Paid(Paid from the Fund)	(1.29)	(3.70)	(0.55)	(1.79)
Actuarial (Gain) \ Loss on Obligations (Due to change in financial assumptions)	2.22	0.71	(15.63)	(1.21)
Actuarial (Gain) \ Loss on Obligations (Due to experience)	11.40	6.73	20.79	5.65
Present Value of Obligation at the end of the year	100.95	79.18	60.22	43.44

(B) Reconciliation of Opening & Closing Balance of Fair Value of Plan Assets / (Liability)

(₹ In Lakhs)

Particulars	Gratuity (Funded)			
	For the period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Fair Value of Plan Assets at the beginning of the year	19.87	11.51	11.33	12.84
Expected Return on Planned Assets	0.71	0.83	0.76	0.80
Employer Contribution	-	11.12	-	-
Benefits Paid	(1.29)	(3.70)	(0.55)	(1.79)
Actuarial Gain/ (Loss) on plan assets	(0.09)	0.11	(0.03)	(0.53)
Fair Value of Plan Assets at the end of the Year	19.20	19.87	11.51	11.33
Actuarial Return on Plan Assets	0.71	0.83	0.76	0.80



(C) Reconciliation of Fair Value of Assets and Obligations

(₹ In Lakhs)

Particulars	Gratuity (Funded)			
	For the period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Present Value of Plan Assets	19.20	19.87	11.51	11.33
Present Value of Obligation	100.95	79.18	60.22	43.44
Amount Recognized in Balance Sheet	81.75	59.31	48.71	32.11

(D) Amount Recognized in Statement of Profit & Loss

(₹ In Lakhs)

Particulars	Gratuity (Funded)			
	For the period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Current Service Cost	6.60	10.80	9.27	7.85
Interest Cost	2.85	4.43	2.91	1.94
Expected Return on Plan Assets	(0.71)	(0.83)	(0.76)	(0.80)
Expected Return on Plan Assets	-	-	-	-
Actuarial (Gain) \ Loss	13.71	7.33	5.19	4.97
Net Cost	22.44	21.72	16.61	13.95

(E) Actuarial Assumptions

(₹ In Lakhs)

Particulars	Gratuity (Funded)			
	For the period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Mortality Rate	IALM (2012-14) Urban	IALM (2012-14) Urban	IALM (2012-14) Urban	IALM (2012-14) Urban
Discount Rate (Per Annum)	6.80%	7.19%	7.35%	6.70%
Rate of Increase in Compensation	7.00%	7.00%	7.00%	7.00%
Attrition Rate	13.00%	13.00%	13.00%	13.00%
Expected Return on Plan Assets	6.80%	7.19%	7.35%	13.00%

Notes

- (i) The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The above information is certified by Actuary.
- (ii) The expected rate or return on plan assets is determined considering several applicable factors, mainly composition of Plan assets held, assessed risks, historical return on plan assets and the Company's policy for plan assets management.
- (iii) Amounts for the current and previous four periods as per Para 120(n)(i) of Accounting Standard 15 "Employee Benefits" (Revised, 2005) are as follows:

(₹ In Lakhs)

Particulars	Gratuity (Funded)			
	For the period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Defined benefit obligation	100.95	79.18	60.22	43.44
Fair Value of Plan Assets	19.20	19.87	11.51	11.33
Surplus / (deficit) in the Plan	(81.75)	(59.31)	(48.71)	(32.11)
Experience adjustments (Gain) / Loss on Plan Liabilities	11.40	6.73	20.79	5.65
Experience adjustments Gain / (Loss) on Plan Assets	(0.09)	0.11	(0.03)	(0.53)

II Defined Contribution Plans

- (i) Provident Fund is a defined contribution scheme established under a State Plan. Total employer's contribution to provident fund during the current period is ₹ 4.53 Lakhs (FY 23-24 ₹ 8.00 Lakhs, FY 22-23 ₹ 6.98 Lakhs, FY 21-22 ₹ 6.33 Lakhs) & Pension Scheme is ₹ 8.89 Lakhs (FY 23-24 ₹ 17.14 Lakhs, FY 22-23 ₹ 15.71 Lakhs, FY 21-22 ₹ 14.36 Lakhs).



ACCENT MICROCELL LIMITED
Notes forming part of financial statement as Restated

	(₹ In Lakhs)			
	For the period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
22) FINANCE COSTS				
Interest Expense on :				
Borrowing	14.06	97.16	213.01	269.86
Others				
- Interest on delayed payment of statutory dues	0.46	2.39	0.91	7.59
- Interest on MSME Vendor	0.13	-	-	-
Other Borrowing Cost				
Bank Charges & Commission	1.18	15.04	39.42	29.08
Total	15.84	114.59	253.34	306.54
23) DEPRECIATION AND AMORTIOSATION EXPENSES				
Depreciation of Tangible Assets	204.08	441.85	409.66	403.12
Amortisation of Intangible Assets	0.32	1.01	3.61	11.58
Total	204.40	442.86	413.27	414.70
24) OTHER EXPENSES				
Labour Charges	331.72	639.53	525.71	500.68
Factory Expenses	93.89	172.82	121.35	158.83
Stores, Spares and Packing Material Consumed	48.72	74.94	88.32	86.99
Power and Fuel	1,046.51	2,245.26	2,325.64	2,044.73
Repairs & Maintenance				
- Building	23.88	19.63	11.75	21.00
- Machinery	23.46	146.37	124.80	152.76
- Others	36.66	72.41	90.99	73.88
Rent, Rates & Taxes	10.66	39.47	31.63	23.15
Loss on Sale \ Discard of Fixed Assets	-	-	-	0.02
Freight & Forwarding Expense	354.32	642.80	1,130.85	1,377.50
Commission	102.11	308.03	263.93	173.74
Business Promotion Expenses	47.03	110.32	101.92	3.67
Insurance Expenses	-	10.22	20.31	13.55
Travelling & Conveyance	25.28	87.34	99.27	66.50
Legal and Professional Fees	33.58	88.77	78.31	73.61
Telephone Expenses	1.92	4.53	4.09	3.00
Security Expense	10.82	20.65	14.76	14.26
CSR Expense (Refer Note 29)	20.41	21.50	15.50	12.13
Prior Period Exps	3.85	12.08	6.19	0.28
Foreign Exchange Loss	-	-	-	30.69
Bad debts Written Off	-	4.10	-	-



ACCENT MICROCELL LIMITED
Notes forming part of financial statement as Restated

Payment to Auditors (Refer Note 25.1)	8.65	20.59	2.60	2.00
Provision for Doubtful Debts	-	21.26	-	-
Postage and Courier Charges	0.36	1.49	-	-
Printing and Stationery Expense	7.87	10.85	-	-
Miscellaneous Expenses	20.97	45.54	46.75	54.53
Total	2,252.67	4,820.49	5,104.66	4,887.50

24.1) Auditors Remuneration Includes

Audit fee (Including Limited Review for September 2024)	8.00	7.50	2.25	1.75
Taxation Matter	0.63	1.00	0.35	0.25
Certification Fees	-	12.00	-	-
Reimbursement of Exps	0.02	0.09	-	-
	8.65	20.59	2.60	2.00

25) EARNING PER SHARE (EPS)	For the period ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
(a) Net Profit Attributable to Equity Shareholders	1,646.68	3,639.65	1,301.02	589.31
(b) Weighted Average number of Equity Shares outstanding for Basic EPS	2,10,43,000	1,61,56,115	1,29,27,329	1,29,03,000
Nominal Value per Share (₹)	10.00	10.00	10.00	10.00
Basic Earnings per Share (₹) [(a) ÷ (b)]	7.83	22.53	10.06	4.57
Diluted Earnings per Share (₹) [(a) ÷ (b)]	7.83	22.53	10.06	4.57

Note

- i) **For Adjusted Average number of equity shares:** Since the Bonus issue is an issue without consideration, the issue is treated as if it had occurred prior to the beginning of the year 2021, the earliest period reported.
- ii) **Annualization of EPS:** EPS has not been annualised for the Half year ended September'2024



ACCENT MICROCELL LIMITED

Notes forming part of financial statement as Restated

26) Related Party Transactions

A) In accordance with the requirements of Accounting Standard – 18 on Related Party Disclosures, the names of the related parties where control exists and with whom transactions have taken place during the year and description of relationships as identified and certified by the management are given below :

i) Key Management Personnel & their relatives:

Ghanshyam A Patel (Managing Director & Chief Financial Officer)
Nitin J Patel (Director)
Vasant V Patel (Director)
Vinod M Patel (Director)
Braham Pal Chhabra (Company Secretary)
Jahanvi G Patel (Relative of Director)
Jitendra Patel (Relative of Director)
Jyotiben G Patel (Relative of Director)
Nilam N Patel (Relative of Director)
Sangeeta V Patel (Relative of Director)
Arvindkumar M Patel (Relative of Director)
Vasanti V Patel (Relative of Director)
Het G Patel (Relative of Director)
Pooja Shrey Patel (Relative of Director)
Shaileshbhai Arjanbhai Patel (Relative of Director)
Rajan Arvindbhai Chhabhaiya
Shrey Vinodkumar Chhabhaiya
Chetanaben Jitendrakumar Patel
Samip Vasantbhai Patel
Princy Shaileshbhai Patel
Kanchanben Shaileshbhai Patel
Kantilal Pachan Vadia (Upto 15.12.2023)

ii) Enterprises over which parties listed in (i) have significant influence and transactions are carried out during the year:

Accent Biosciences Pvt Ltd
Agistin Biotech Pvt Ltd
Aneta Pharmaceuticals Pvt Ltd
Claroid Pharmaceuticals Pvt Ltd
Globe Star Valves Pvt Ltd
Indo SMC Limited
M/s Ashutosh Corporate LLP
Indocon Infrastructure Private Limited
Jashoda Developers (upto 11.12.2023)
Maccent Bio care Industries
Jainishk Industries
Prerna Rice Mill
Indo Alluminium Pvt Ltd



B) The following transactions were carried out with the related parties in the ordinary course of business:

(R In Lakhs)

Sr. No	RELATIONSHIP	Key Management Personnel & their relatives:				Enterprises over which parties listed in (i) have significant influence and transactions are carried out during the year:				GRAND TOTAL			
		September 30, 2024	2023-24	2022-23	2021-22	September 30, 2024	2023-24	2022-23	2021-22	September 30, 2024	2023-24	2022-23	2021-22
(A)	INCOME*												
	1) Sales of Goods												
	Jainishk Industries	-	-	-	-	742.89	874.89	910.24	-	742.89	874.89	910.24	-
	Maccent Bio care Industries	-	-	-	-	1,541.60	26.00	101.75	-	1,541.60	26.00	101.75	-
	Clareid Pharmaceuticals Pvt Ltd	-	-	-	-	37.34	34.73	19.15	33.83	37.34	34.73	19.15	33.83
	Agistin Biotech Pvt Ltd	-	-	-	-	-	8.09	18.19	13.09	-	8.09	18.19	13.09
	Aneta Pharmaceuticals Pvt Ltd	-	-	-	-	4.47	9.20	-	-	4.47	9.20	-	-
	2) Interest income on loan												
	Agistin Biotech Pvt Ltd	-	-	-	-	-	1.82	-	-	-	1.82	-	-
	Aneta Pharmaceuticals Pvt Ltd	-	-	-	-	-	0.14	-	-	-	0.14	-	-
	Indo SMC Limited	-	-	-	-	-	1.04	-	-	-	1.04	-	-
(B)	EXPENSES*												
	1) Purchase of Goods												
	Maccent Biocare Industries	-	-	-	-	688.50	1,503.64	2,180.23	1,571.47	688.50	1,503.64	2,180.23	1,571.47
	Jainishk Industries	-	-	-	-	-	425.22	1,102.15	1,261.39	-	425.22	1,102.15	1,261.39
	Agistin Biotech Pvt Ltd	-	-	-	-	-	8.91	19.28	15.58	-	8.91	19.28	15.58
	Indo SMC Limited	-	-	-	-	-	-	-	0.67	-	-	-	0.67
	Aneta Pharmaceuticals Pvt Ltd	-	-	-	-	1.25	3.76	261.93	-	1.25	3.76	261.93	-
	Globe Star Valves Pvt Ltd	-	-	-	-	0.43	-	0.69	-	0.43	-	0.69	-
	Accent Biosciences Pvt Ltd	-	-	-	-	-	-	-	-	-	-	-	-
	2) Purchase of Fixed Assets												
	Ashutosh Corporate LLP	-	-	-	-	-	0.52	3.58	6.00	-	0.52	3.58	6.00
	Indo Aluminium Pvt Ltd	-	-	-	-	0.20	0.39	60.30	-	0.20	0.39	60.30	-
	3) Remuneration & Bonus												
	Ghanshyam A Patel	60.00	60.81	32.71	28.44	-	-	-	-	60.00	60.81	32.71	28.44
	Nitin J Patel	60.00	60.81	32.71	28.44	-	-	-	-	60.00	60.81	32.71	28.44
	Vasant V Patel	60.00	60.81	32.71	28.44	-	-	-	-	60.00	60.81	32.71	28.44
	Vinod M Patel	60.00	60.81	32.71	28.44	-	-	-	-	60.00	60.81	32.71	28.44
	Jyotsna G Patel	-	7.16	8.30	7.23	-	-	-	-	-	7.16	8.30	7.23
	Jasvanti G Patel	-	7.16	8.30	7.22	-	-	-	-	-	7.16	8.30	7.22
	Jitendra Patel	-	7.16	8.30	7.22	-	-	-	-	-	7.16	8.30	7.22
	Nilam N Patel	-	10.73	12.44	10.83	-	-	-	-	-	10.73	12.44	10.83
	Sangeeta V Patel	-	7.16	8.30	7.23	-	-	-	-	-	7.16	8.30	7.23
	Arvindkumar M Patel	-	7.16	8.30	7.22	-	-	-	-	-	7.16	8.30	7.22
	Vasanti V Patel	-	11.04	8.30	7.23	-	-	-	-	-	11.04	8.30	7.23
	Het G Patel	-	3.88	-	-	-	-	-	-	-	3.88	-	-
	Pooja Shrey Patel	-	3.88	-	-	-	-	-	-	-	3.88	-	-
	Rajon Arvindbhai Chhabhaiya	2.08	-	-	-	-	-	-	-	2.08	-	-	-
	Brahm Pal Chhabra	3.43	5.15	-	-	-	-	-	-	3.43	5.15	-	-
	4) Interest on Unsecured Loan Received												
	Ghanshyam A Patel	-	-	12.20	19.41	-	-	-	-	-	-	12.20	19.41
	Nitin J Patel	-	-	9.67	39.72	-	-	-	-	-	-	9.67	39.72
	Vasant V Patel	-	-	7.19	20.44	-	-	-	-	-	-	7.19	20.44
	Vinod M Patel	-	-	7.58	30.22	-	-	-	-	-	-	7.58	30.22
	5) Commission Expense												
	Ashutosh Corporate LLP	-	-	-	-	-	-	5.00	-	-	-	5.00	-
	6) Rent Expense												
	Ghanshyam A Patel	-	-	1.50	1.50	-	-	-	-	-	-	1.50	1.50
	Nitin J Patel	-	-	1.50	1.50	-	-	-	-	-	-	1.50	1.50
	Vasant V Patel	-	-	1.50	1.50	-	-	-	-	-	-	1.50	1.50
	Vinod M Patel	-	-	1.50	1.50	-	-	-	-	-	-	1.50	1.50
	7) Bad Debt												
	Agistin Biotech Pvt Ltd	-	-	-	-	-	1.14	-	-	-	1.14	-	-
(C)	DISTRIBUTION OF PROFIT												



Maccent Biocare Industries	-	-	-	-	474.46	-	-	-	474.46	-	-	-
2) Trade Payable												
Agustin Biotech Pvt Ltd	-	-	-	-	-	-	-	5.56	-	-	-	5.56
Maccent Biocare Industries	-	-	-	-	28.94	14.67	182.98	277.84	28.94	14.67	182.98	277.84
Jainshik Industries	-	-	-	-	-	-	164.37	323.83	-	-	164.37	323.83
3) Unsecured Loan taken												
Ghanshyam A Patel	0.16	0.50	113.59	65.08	-	-	-	-	0.16	0.50	113.59	65.08
Nitin J Patel	0.25	0.50	75.85	86.97	-	-	-	-	0.25	0.50	75.85	86.97
Vinod M Patel	0.33	0.42	57.33	74.08	-	-	-	-	0.33	0.42	57.33	74.08
Vasant V Patel	0.25	0.50	31.89	89.64	-	-	-	-	0.25	0.50	31.89	89.64
Kantilal Pachan Vadia	-	-	13.93	-	-	-	-	-	-	-	13.93	-
4) Salary \ Remuneration Payable												
Ghanshyam A Patel	5.94	6.65	2.14	2.02	-	-	-	-	5.94	6.65	2.14	2.02
Jahnavi G Patel	-	-	0.63	0.56	-	-	-	-	-	-	0.63	0.56
Jitendra Vadilal Patel	-	-	0.63	0.56	-	-	-	-	-	-	0.63	0.56
Jyotiben G Patel	-	-	0.62	0.56	-	-	-	-	-	-	0.62	0.56
Nilam N Patel	-	-	0.88	0.79	-	-	-	-	-	-	0.88	0.79
Nitin J Patel	11.60	6.85	2.14	2.02	-	-	-	-	11.60	6.85	2.14	2.02
Sangeeta V Patel	-	-	0.62	0.55	-	-	-	-	-	-	0.62	0.55
Vasant V Patel	6.14	6.18	2.14	2.02	-	-	-	-	6.14	6.18	2.14	2.02
Vinod M Patel	5.82	6.85	2.14	2.02	-	-	-	-	5.82	6.85	2.14	2.02
Arvindkumar M Patel	-	-	0.63	0.56	-	-	-	-	-	-	0.63	0.56
Vasanti V Patel	-	-	0.62	0.55	-	-	-	-	-	-	0.62	0.55

* Excluding Taxes

* Capital advances were given for land purchase. Jashoda developers ceases to be related party from 11.12.2023. INR four crore five lakhs thirty thousand three hundred & three has been paid till 11.12.2023.

** During FY 2022-23 right issues were made on 22.08.2022 at issue price of INR 32 per share (including share premium of INR 22 per share)

During FY 2023-24 preferential allotments were made on 21.08.2023 at issue price of INR 50 per share (including share premium of INR 40 per share)



27) Key Ratios

As on 30th September 2024

Sr. No	Ratio	Formula	UOM	As on 30th September'24		As on 31st March'24		% Deviation	Reasons for Variance
				₹ In Lakhs	Ratio	₹ In Lakhs	Ratio		
1	Current Ratio								
	Current Assets	Current Assets / Current Liability	Times	14,876.96	5.96	16,344.20	4.32	37.97%	Unutilised IPO proceeds invested in fixed deposits.
	Current Liabilities			2,497.67		3,785.80			
2	Debt-to-equity Ratio								
	Total Debt	Total Debt / Share Holder's Equity	Times	206.20	0.01	1,283.10	0.08	85.22%	Due to repayment of debts
	Shareholder's Equity			17,819.66		16,383.41			
3	Debt Service Coverage Ratio								
	Earnings available for debt service*	Earnings available for debt service / Interest + Principal Service	Times	1,860.95	1.71	4,137.29	11.34	-84.95%	Increase in Margins and repayment is for quarter only
	Debt Service			1,090.96		364.92			
4	Return on Equity Ratio								
	Net Profit after Tax	Net Profits after taxes - Preference Dividend (if any) / Average Shareholder's Equity	Percentage	1,646.68	9.63%	3,639.65	34.99%	-72.48%	Net profit is for half year only
	Average Shareholder's Equity			17,101.53		10,401.66			
5	Inventory Turnover Ratio								
	Cost of Goods Sold	Cost of Goods Sold / Average Inventory	Times	7,805.00	2.54	15,764.22	3.64	-30.30%	COGS is for half year only
	Average Inventory			3,077.16		4,331.73			
6	Receivables Turnover Ratio								
	Net Credit Sales	Net Credit Sales / Average Accounts Receivable	Times	12,603.67	2.39	26,073.65	6.71	-64.36%	Sales is for half year only
	Average Receivables			5,270.77		3,886.16			
7	Payables Turnover Ratio								
	Purchases	Net Credit Purchases / Average Accounts Payable	Times	9,818.01	6.10	19,059.36	7.08	-13.88%	N.A.
	Average Payables			1,609.97		2,691.54			
8	Net capital turnover Ratio								
	Net Sales	Net Sales/ Working Capital (CA-CL)	Times	12,603.67	1.01	26,073.65	3.59	-71.84%	Sales is for half year only
	Average Working Capital			12,468.84		7,263.65			
9	Net profit ratio								
	Profit After Tax	Net Profit / Net Sales	Percentage	1,646.68	13.07%	3,639.65	13.96%	-6.40%	N.A.
	Net Sales			12,603.67		26,073.65			
10	Return on Capital employed Ratio								
	EBIT	Earning before interest and taxes / Capital Employed	Percentage	1,965.59	10.8%	4,365.67	24.6%	-55.90%	EBIT is for half year only
	Capital Employed			18,125.20		17,752.65			
11	Return on investment Ratio								
	Income earned from Investment	Income earned from Investment / Average Investment	Percentage	214.04	3.30%	106.61	2.94%	12.41%	N.A.
	Average Investment			6,476.96		3,626.74			

As on 31st March 2024

Sr. No	Ratio	Formula	UOM	As on 31st March'24		As on 31st March'23		% Deviation	Reasons for Variance
				₹ In Lakhs	Ratio	₹ In Lakhs	Ratio		
1	Current Ratio								
	Current Assets	Current Assets / Current Liability	Times	16,344.20	4.32	8,233.54	1.31	228.48%	Unutilised IPO proceeds invested in fixed deposits.
	Current Liabilities			3,785.80		6,264.63			
2	Debt-to-equity Ratio								
	Total Debt	Total Debt / Share Holder's Equity	Times	1,283.10	0.08	2,279.17	0.52	-84.81%	Repayment of debt and issue of equity shares pursuant to IPO.
	Shareholder's Equity			16,383.41		4,419.91			
3	Debt Service Coverage Ratio								
	Earnings available for debt service*	Earnings available for debt service / Interest + Principal Service	Times	4,137.29	11.34	1,967.64	3.54	220.15%	Increase in Profitability
	Debt Service			364.92		555.63			
4	Return on Equity Ratio								
	Net Profit after Tax	Net Profits after taxes - Preference Dividend (if any) / Average Shareholder's Equity	Percentage	3,639.65	35%	1,301.02	34%	2.59%	N.A.
	Average Shareholder's Equity			10,401.66		3,814.62			
5	Inventory Turnover Ratio								
	Cost of Goods Sold	Cost of Goods Sold / Average Inventory	Times	15,764.22	3.64	10,600.07	2.27	60.05%	Increase in Topline
	Average Inventory			4,331.73		4,661.86			
6	Receivables Turnover Ratio								
	Net Credit Sales	Net Credit Sales / Average Accounts Receivable	Times	26,073.65	6.71	20,418.76	9.97	-32.70%	Increase in Topline as well as Margins
	Average Receivables			3,886.16		2,048.19			

7	Payables Turnover Ratio									
	Purchases	Net Credit Purchases / Average Accounts Payable	Times	19,059.36	7.08	19,045.95	5.89	20.27%		N.A.
	Average Payables			2,691.54		3,234.84				
8	Net capital turnover Ratio									
	Net Sales	Net Sales/ Working Capital (CA-CL)	Times	26,073.65	3.59	20,418.76	13.75	-73.90%		Increase in Topline as well as Margins
	Average Working Capital			7,263.65		1,484.53				
9	Net profit ratio									
	Profit After Tax	Net Profit / Net Sales	Percentage	3,639.65	14%	1,301.02	6%	119.08%		Increase in Topline as well as Margins
	Net Sales			26,073.65		20,418.76				
10	Return on Capital employed Ratio									
	EBIT	Earning before interest and taxes / Capital Employed	Percentage	4,365.67	25%	1,802.45	26%	-7.05%		N.A.
	Capital Employed			17,752.65		6,812.42				
11	Return on investment Ratio									
	Income earned from Investment	Income earned from Investment / Average Investment	Percentage	106.61	3%	6.46	4%	-20.26%		N.A.
	Average Investment			3,626.74		175.14				

As on 31st March 2023

Sr. No	Ratio	Formula	UOM	As on 31st March'23		As on 31st March'22		% Deviation	Reasons for Variance
				₹ In Lakhs	Ratio	₹ In Lakhs	Ratio		
1	Current Ratio								
	Current Assets	Current Assets / Current Liability	Times	8,233.54	1.31	6,392.22	1.19	10.87%	
	Current Liabilities			6,264.63		5,392.07			N.A.
2	Debt-to-equity Ratio								
	Total Debt	Total Debt / Share Holder's Equity	Times	2,279.17	0.52	2,410.45	0.75	-31.34%	
	Shareholder's Equity			4,419.91		3,209.32			Repayment of Debt and Issue of Equity Shares in FY 21-22
3	Debt Service Coverage Ratio								
	Earnings available for debt service*	Earnings available for debt service / Interest + Debt Service	Times	1,967.64	3.54	1,310.58	0.71	402.26%	
	Debt Service	Principal Service		555.63		1,858.78			Increase in Debt Re-payment
4	Return on Equity Ratio								
	Net Profit after Tax	Net Profits after taxes - Preference Dividend (if any) / Average Shareholder's Equity	Percentage	1,301.02	34%	589.31	20%	69.93%	
	Average Shareholder's Equity			3,814.62		2,936.17			Increase in Topline as well as Margins
5	Inventory Turnover Ratio								
	Cost of Goods Sold	Cost of Goods Sold / Average Inventory	Times	10,600.07	2.27	8,492.58	2.39	-4.77%	
	Average Inventory			4,661.86		3,556.89			N.A.
6	Receivables Turnover Ratio								
	Net Credit Sales	Net Credit Sales / Average Accounts Receivable	Times	20,418.76	9.97	16,571.13	11.18	-10.80%	
	Average Receivables			2,048.19		1,482.77			N.A.
7	Payables Turnover Ratio								
	Purchases	Net Credit Purchases / Average Accounts Payable	Times	19,045.95	5.89	15,198.99	6.27	-6.16%	
	Average Payables			3,234.84		2,422.54			N.A.
8	Net capital turnover Ratio								
	Net Sales	Net Sales/ Working Capital (CA-CL)	Times	20,418.76	13.75	16,571.13	13.27	3.64%	
	Average Working Capital			1,484.53		1,248.69			N.A.
9	Net profit ratio								
	Profit After Tax	Net Profit / Net Sales	Percentage	1,301.02	6%	589.31	4%	79.17%	
	Net Sales			20,418.76		16,571.13			Increase in Topline as well as Margins
10	Return on Capital employed Ratio								
	EBIT	Earning before interest and taxes / Capital Employed	Percentage	1,802.45	26%	1,065.45	19%	42.64%	
	Capital Employed			6,812.42		5,743.94			Increase in Topline as well as Margins
	Return on investment Ratio								
	Income earned from Investment	Income earned from Investment / Average Investment	Percentage	6.46	4%	6.25	4%	2.39%	
	Average Investment			175.14		173.66			N.A.



28) Corporate social Responsibility

Particulars	(₹ In Lakhs)			
	September 30, 2024	2023-24	2022-23	2021-22
Amount required to be spent during the year	20.41	21.18	15.36	11.93
Amount actually spent	-	21.50	15.50	12.13
Shortfall at the end of year	-	-	-	-
Total of previous year shortfall	-	-	-	-
Reason for such shortfall	NA	NA	NA	NA
Nature of CSR activities	As per Note 1	As per Note 2	As per Note 2	As per Note 3
Details of related party transactions	Nil	Nil	Nil	Nil

Note 1: Company is required to spent liability for FY 24-25 up to 31st March 2025.

Note 2: Women Empowerment, Medical & Health Care, Rural Development

Note 3: Improving Life Standard of Women and helping poor Children's developing as well as providing grains and pulses to poor peoples for their daily food requirements.



ACCENT MICROCELL LIMITED
Notes forming part of financial statement as Restated
29 Other Notes
29.1 Contingent Liabilities and commitments (to the extend not provided for)
(₹ In Lakhs)

Particulars	September 30, 2024	2023-24	2022-23	2021-22
Liability Disputed - Appeal file with respect to:				
- Gujarat Pollution Control Board	411.60	411.60	411.60	411.60

In respect of the above matters, the expected outflow will be determined at the time of final resolution of the dispute.

Capital Commitments as at September 30, 2024 is ₹ 561.98 Lakhs. (As on March 31, 2024 ₹ 711.60, March 31, 2023 ₹ Nil, March 31, 2022 ₹ Nil).

29.2 Segment reporting in accordance with AS -17 issued by ICAI
(₹ In Lakhs)

Sr	Particulars	As at September 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
1	Revenue				
	a) Dahej (SEZ Unit)				
	- Export	6,047.90	15,602.81	12,845.68	10,640.11
	- Domestic	607.16	946.74	192.08	64.02
	- Unallocated Income	83.24	172.23	270.53	177.48
	b) Pirana				
	- Export	71.45	518.06	73.79	183.46
	- Domestic	5,964.05	9,435.11	8,045.64	6,410.12
	- Unallocated Income	0.27	97.58	7.45	5.36
	c) Unit III				
	- Unallocated Income	213.82	102.44	-	-
	d) Inter Unit Sales	(86.89)	(429.08)	(738.43)	(726.57)
	Segment Total	12,901.00	26,445.90	20,696.75	16,753.97
2	Segment Results (PBIT)				
	a) Dahej (SEZ Unit)	1,584.61	4,011.77	1,604.71	731.53
	b) Pirana	169.93	252.97	197.74	333.92
	c) Unit III	211.05	100.93	-	-
	Segment Total	1,965.59	4,365.67	1,802.45	1,065.45
	Less: Finance Cost				
	a) Dahej (SEZ Unit)	13.69	88.74	180.26	170.38
	b) Pirana	1.96	25.80	73.09	136.16
	c) Unit III	0.19	0.05	-	-
	Total	15.84	114.59	253.34	306.54
	Less: Taxes	303.07	611.43	248.08	169.60
	Total Profit After Tax	1,646.68	3,639.65	1,301.02	589.31
3	Segment Assets				
	a) Dahej (SEZ Unit)	10,692.30	7,470.03	7,133.36	6,392.01
	b) Pirana	1,213.81	4,479.21	4,276.33	3,069.03
	c) Unit III	8,730.48	8,534.73	-	-
	Segment Total	20,636.59	20,483.97	11,409.69	9,461.04
4	Segment Liabilities				
	a) Dahej (SEZ Unit)	1,982.33	2,290.02	2,375.36	2,719.15
	b) Pirana	780.15	1,711.33	4,614.41	3,532.57
	c) Unit III	54.46	99.21	-	-
	Segment Total	2,816.93	4,100.56	6,989.77	6,251.73



5	Capital Employed (As at Period / Year End)				
	a) Dahej (SEZ Unit)	9,189.87	5,539.45	4,757.99	3,672.86
	b) Pirana	485.81	2,767.26	(338.08)	(463.54)
	c) Unit III	8,738.83	7,302.66	-	-
	Segment Total	18,414.51	15,609.37	4,419.91	3,209.32

29.3 C.I.F. Value of Imports

Particulars	(₹ In Lakhs)			
	September 30, 2024	2023-24	2022-23	2021-22
Import of Raw Material	-	196.97	741.35	675.23

29.4 Expenditure in foreign currency (Excluding value of imports) :

Particulars	(₹ In Lakhs)			
	September 30, 2024	2023-24	2022-23	2021-22
Business Promotion	27.23	64.51	72.80	2.05
Interest Exps on Term Loan	-	-	0.11	2.08
Commission	33.52	63.39	117.28	42.04

Earning in foreign currency (C.I.F. Value):

Particulars	(₹ In Lakhs)			
	September 30, 2024	2023-24	2022-23	2021-22
Export Sales	5,691.79	14,443.07	12,919.15	10,801.38

29.5 Other Statutory Information

- a) **Details of benami property held:** No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- b) **Registration of charges or satisfaction with Registrar of Companies (ROC):** The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- c) **Details of crypto currency or virtual currency:** The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- Utilisation of borrowed funds and share premium:** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- e) **Undisclosed income:** There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.
- f) **Wilful defaulter:** The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- g) **Compliance with number of layers of companies:** The Company has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.
- h) **Valuation of Property Plant & Equipment, intangible asset:** The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.
- i) The Company has borrowings from Banks on the basis of security of current assets. Quarterly returns \ statements of current assets filed by the company with banks are in agreement with the books of accounts subject to minor deviations which are not material.




- j) **Relationship with struck off companies:** The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- k) **Utilisation of borrowings availed from banks and financial institutions:** The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.
- 29.6 Balances of Trade Receivables, Trade Payables, Loans & Advances, Unsecured Loans etc. are subject to confirmation and reconciliation, if any.
- 29.7 In the opinion of Board of Directors; Current Assets, Loans & Advances (Including Capital Advances) have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, Adequate Provisions have been made in the accounts for all the known liabilities.
- 29.8 The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the restated financial statements. As of November 20, 2024 there were no subsequent events to be recognized or reported that are not already disclosed.
- 29.9 Previous Year Figures are regrouped / reclassified wherever required in order to make it comparable in line current period.

For T R Chadha & Co LLP
Chartered Accountants
Firm Regn. No.- 006711N / N500028

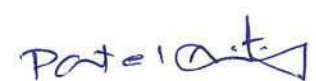

Brijesh Thakkar
Partner
Membership No. 135556

Place:- Ahmedabad
Date:- 20/11/2024


For and on behalf of the Board of Directors of
Accent Microcell Limited


Vasant Patel
Director
(DIN:05225561)


Place:- Ahmedabad
Date:- 20/11/2024


Nitin Patel
Director
(DIN:05225550)

Place:- Ahmedabad
Date:- 20/11/2024


Ghanshyam Patel
MD & CFO
(DIN:05225398)

Place:- Ahmedabad
Date:- 20/11/2024


Ms. Braham Pal Chhabra
Company Secretary
(Mem No: 55557)

Place:- Ahmedabad
Date:- 20/11/2024



ACCOUNTING RATIOS

(Amount in ₹ Lakh except Ratio)

Sr. No.	Particulars	For period ended on September 30, 2024	Financial Year		
			2023-24	2022-23	2021-22
8.	Share Capital	2,104.30	2,104.30	1294.30	1290.30
9.	Net Worth	17,819.66	16,383.41	4419.91	3209.32
10.	Revenue from operations	12,901.00	26,445.90	20,696.75	16,753.97
11.	Profit After Tax	1,646.68	3,639.65	1301.02	589.31
12.	Earnings Per Share	7.83	22.53	10.06	4.57
13.	Net Asset Value per Equity Share	84.68	101.41	34.19	24.87
14.	Total Borrowings	205.63	1,279.09	2,278.23	2,409.53
	Long Term	113.63	149.81	547.41	693.18
	Short Term	92.00	1,129.28	1730.82	1716.35

CAPITALISATION STATEMENT

The following table sets forth our capitalisation derived from our Restated Financial Statements for the six month period ended September 30, 2024, and as adjusted for the Issue. This table should be read in conjunction with “Management’s Discussion and Analysis of Financial Position and Results of Operations”, “Restated Financial Information” and “Risk Factors” on pages 105, 102 and 23 of this Draft Letter of Offer respectively.

(in ₹ lakhs)

Particulars	Pre Issue as at September 30, 2024	Post Issue As adjusted for the Issue
Short-term	-	[●]
Long-term (including current maturities) (A)	205.63	[●]
Total Borrowings (B)	205.63	[●]
Equity Shareholders Fund		
Equity Share Capital	2104.30	[●]
Reserves and Surplus	15,715.36	[●]
Total Equity Shareholder’s Fund(C)	17,819.66	[●]
Long term Borrowings / Equity Ratio (A) / (C)	1.15%	[●]
Total Borrowings / Equity Ratio (B) / (C)	1.15%	[●]

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

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the financial years ended , March 31, 2024, March 31, 2023 and March 31, 2022, and six months period ended September 30, 2024 included in this Draft Letter of Offer, prepared in accordance with the Companies Act and Accounting Standard (AS) and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the Chapter titled – “Restated Financial Information” beginning on page 105 of this Draft Letter of Offer. Our Company’s Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year or Fiscal are to the twelve months ended March 31 of that year. AS may differ in certain aspects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Letter of Offer, nor do we provide reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the AS financial statements included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader’s level of familiarity with the Companies Act, AS and SEBI ICDR Regulations. This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in “Risk Factors” and "Forward Looking Statements" beginning on pages 23 and 18 of this Draft Letter of Offer respectively. In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Accent Microcell Limited, our Company.

Business Overview

Our Company was incorporated on April 10, 2012, with the primary focus on manufacturing of the high-quality cellulose-based excipients which predominantly find application in the Pharmaceutical, Nutraceutical, Food, Cosmetic and other industries. Our company manufacture cellulose-based excipients as follows:

- Microcrystalline Cellulose (MCC) – Spray Dried/Bulk Dried (Spine Flash Dried)
- Microcrystalline Cellulose Spheres (MCC Spheres)
- Silicified Microcrystalline Cellulose (SMCC)
- Powdered Cellulose (PC)
- Croscarmellose Sodium (CCS)
- Magnesium Stearate (Mg. St.)
- Microcrystalline Cellulose with Carboxy Methyl Cellulose (Co-Processed)

Presently, we majorly manufacture Microcrystalline Cellulose (“MCC”). MCC is an odourless, fine white powder & a purified form of cellulose, which is derived from refinement of highly purified wood pulp. It is widely used as texturizer, anticaking agent, binder, lubricant, a bulking agent, diluent which finds a wide range of applications in Pharmaceutical, Nutraceutical, Food, Cosmetic and other industries. We manufacture 22 grades of MCC, with particle sizes ranging from 20 microns to 180 microns. The major grades of MCC manufactured and marketed by our Company are branded under the name “ACCEL”. Besides “accel” we also sell our products under the name “ACROCELL”, “MACCEL” and “VINCEL”.

During the production process, the various grades of MCC are distinguished using different drying techniques used by our Company. We manufacture products by two drying techniques which are branded under different brand names. In our company MCC, MCC Spheres, SMCC, MCC with CMC are manufactured with spray dried product which are branded as “accel” and They are known for its premium quality due to its physical properties such as direct compression, particle size, density, flow, tableting properties etc. On the other hand MCC, SMCC are manufactured with spin flash dried which are branded as “Vincel”.

Accent have established a robust manufacturing infrastructure, supported by an efficient supply chain that caters to the needs of our Indian and global clientele. With two state-of-art manufacturing facilities located in Pirana (Unit -I) and Dahej SEZ (Unit -II). Unit I i.e. Pirana manufacture product mainly caters to the domestic market which manufacture MCC, SMCC, PC, MCC with CMC. Unit II i.e Dahej SEZ is purely engaged in the manufacture of MCC, MCC sphere, SMCC, MCC with CMC which is exported to overseas customers and distributors.

With over 10 years of continuous growth, two state of the art manufacturing facilities and consistent focus on delivering premium quality product, Our Company is one of the Global leading manufacturers of Microcrystalline

Cellulose (MCC) (*Source: Research Report on Global Microcrystalline Cellulose (MCC) Industry, refer link <https://www.expertmarketresearch.com/articles/top-5-companies-in-the-global-microcrystalline-cellulose-mcc-market>).

For detailed information on the business of our Company please refer to “Our Business” beginning on page numbers 69 of this Draft Letter of Offer.

FACTORS AFFECTING OUR BUSINESS, RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The business of our Company is subject to various risks and uncertainties including those discussed in section titled “**Risk Factors**” on page 23 of this Draft Letter of Offer. Our financial condition and results of operations are affected by various factors of which the following are of particular importance:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which
- affect national & international finance.
- ability to retain our skilled personnel;
- Supply Chain Management;
- Performance of Company’s competitors;
- Significant developments in India’s economic and fiscal policies;
- Volatility in the Indian and global capital market.

OUR SIGNIFICANT ACCOUNTING POLICIES

Our significant accounting policies are described under Chapter titled “**Restated Financial Information**” on page 105 of this Draft Letter of Offer.

CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 (THREE) YEARS

Except as mentioned under Chapter titled “**Restated Financial Information**” on page 105 of this Draft Letter of Offer, there has been no change in accounting policies in last 3 (three) years.

RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS

The auditor has not given any reservation, qualification and adverse remarks on the financial statements of the Company. For details, see section titled “**Restated Financial Information**” on page 105 of this Draft Letter of Offer.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS ACCOUNT

The following descriptions set forth information with respect to the key components of the Restated Financial Statements for the fiscals 2024, 2023, 2022 and for the period ended on September 30, 2024.

Our Revenue comprises of:

Revenue from operations

Our principal component of revenue from operations is generated from the sale of goods.

Other Income

Our other income mainly comprises of interest income on bank deposits, foreign exchange fluctuation gain/loss and other miscellaneous income.

Expenses

Our total expenditure primarily consists of Cost of material consumed, purchase of stock in Trade, employee benefit expenses, finance cost, change in inventory of finished goods, Depreciation & Amortization expenses and other expenses.

Cost of materials consumed

Cost of material consumed are primarily in relation to purchases raw material for manufacturing & Trading.

Changes in Inventory of finished goods & work- in progress

Changes in Inventory of finished goods & work- in progress primarily consist of work in progress and finished goods.

Employee benefit expenses

Our employee benefit expenses mainly include salaries and other benefits, contribution to Provident Fund and other funds and staff welfare expenses.

Finance cost

Our finance costs mainly include interest expense on borrowings and bank charges & Commission.

Depreciation and Amortization Expense

Depreciation includes depreciation of tangible assets and amortization of intangible assets.

Other expenses

It includes Freight & Forwarding expenses, labour charges, power & fuel, legal & professional fees, Payment to auditors, Business Promotion expenses, CSR expenses, Travelling & conveyance, insurance expenses, Repair & maintenance and other expenses.

Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or asset is recognized based on the difference between taxable profit and book profit due to the effect of timing differences and treatment of expenses. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted as at the relevant balance sheet date.

RESULTS OF OPERATIONS

The following table sets forth, for the restated financial results for the six month period ended September 30, 2024:

Particulars	For the period ended on September 30, 2024
	Amount (₹ in Lakh)
Revenue from Operations	12,603.67
Other Income	297.33
Total Revenue	12,901.00
Cost of material consumed	5393.57
Purchase of Stock in trade	2959.70
Change in Inventory	-520.12
Employee Benefit Expenses	645.21
Finance Cost	15.84
Depreciation and amortization expenses	204.40
Other expenses	2,252.67
Total Expenditure	10,951.25
Profit before Tax and before exceptional items	1,949.75
Exceptional items	-
Profit before Tax and after exceptional items	1,949.75
Current Tax (Including tax adjustment for earlier years)	506.96
MAT Credit entitlement	-217.08
Deferred Tax	13.19
Total tax expenses	303.07
Profit / (Loss) after Tax	1,646.68

REVIEW OF OPERATIONS FOR THE PERIOD ENDED ON SEPTEMBER 30, 2024

Total income

Our total income for the period ended September 30, 2024 was ₹ 12,901.00 lakhs, bifurcated into revenue from operations and other income.

Revenue from operations

Our revenue from operations for period ended September 30, 2024 was ₹ 12,603.67 lakhs, which is almost 97.70% of the total revenue. Revenue from operations primarily include revenue received from sale of goods.

Other Income

Our other income for the period ended September 30, 2024 was ₹ 297.33 lakhs, which is almost 2.30% of the total revenue. This primarily include interest on bank deposit and gain on foreign exchange fluctuation.

Total Expenses

Our total expenses was ₹ 10,951.25 lakhs for the period ended September 30, 2024. Bifurcated in varied expenses as explained below:

Cost of Material Consumed

Cost of materials consumed for the period ended September 30, 2024 was ₹ 5,393.57 lakhs representing as 41.81% of total revenue.

Purchase of Stock in trade

Purchase of stock in trade for the period ended September 30, 2024 was ₹ 2,959.70 lakhs representing 22.94% of total revenue.

Change in Inventory

The Changes in inventory of finished goods costs for the period ended September 30, 2024 was ₹ (520.12) Lakhs which was about (4.03) % of the total revenue and it primarily consist of changes in Finished goods.

Employee Benefit Expenses

Our Company has incurred ₹ 645.21 lakhs of employee benefit expenses for the period ended September 30, 2024, which was about 5 % of the total revenue and which include salaries and other benefits, contribution to Provident fund and other funds and staff welfare expenses.

Finance Cost

Finance costs was ₹ 15.84 lakhs for the period ended September 30, 2024 which was about 0.12% of the total revenue and which consists of include interest expense on borrowings and Bank Charges & Commission.

Depreciation & Amortization expense

Depreciation and amortization expenses was ₹ 204.40 lakhs for the period ended September 30, 2024 which was about 1.58 % of the total revenue and which consists of depreciation of tangible assets and amortization of intangible assets.

Other expenses

Our other expenses was ₹ 2,252.67 lakhs for the period ended September 30, 2024 which was about 17.46% of the total revenue and which includes Freight & Forwarding expenses, labour charges, power & fuel, legal & professional fees, Payment to auditors and other expenses.

Profit / (Loss) before Tax

Our profit before tax for the period ended September 30, 2024 was ₹ 1,949.75 lakhs.

Profit / (Loss) after Tax

Our profit after tax for the period ended September 30, 2024 was ₹ 1,646.68 lakhs.

SUMMARY AND COMPARISON OF SIGNIFICANT ITEMS OF INCOME AND EXPENDITURE OF THE COMPANY

The following table sets forth selected financial data from our restated standalone profit and loss accounts for financial years ended 2024, 2023, 2022:-

(Amount in ₹ Lakh)

Particulars	For the Fiscal Year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
INCOME:			
Revenue from Operations	26,073.65	20,418.76	16,571.13
As a % of Total Income	98.59%	98.66%	98.91%
% Increase (Decrease)	27.69%	23.22%	25.00%
Other Income	372.24	277.98	182.84
As a % of Total Income	1.41%	1.34%	1.09%
% Increase (Decrease)	33.91%	52.04%	-18.66%
Total Income	26,445.90	20,696.74	16,753.97
Variance	27.78%	23.53%	24.27%
EXPENSES:			
Cost of Material Consumed	9,270.26	11,572.81	9,186.37
% Of Total Revenue	35.05%	55.92%	54.83%
% Increase (Decrease)	-19.90%	25.98%	1.27%
Purchase of stock-in-trade	3,860.74	1,910.16	1,131.76
% Of Total Revenue	14.60%	9.23%	6.76%
% Increase (Decrease)	102.12%	68.78%	-27.56%
Changes in Inventory of Finished Goods, Work- in Progress and Stock- In- Trade	2,633.22	-972.74	-693.79
% Of Total Revenue	9.96%	-4.70%	-4.14%
% Increase (Decrease)	-370.70%	40.21%	-22.37%
Employee Benefit Expense	1,052.65	866.13	761.97
% Of Total Revenue	3.98%	4.18%	4.55%
% Increase (Decrease)	21.54%	13.67%	10.00%
Finance Costs	114.59	253.34	306.54
% Of Total Revenue	0.43%	1.22%	1.83%
% Increase (Decrease)	-54.77%	-17.35%	-9.26%
Depreciation and Amortization Expense	442.86	413.27	414.7
% Of Total Revenue	1.67%	2.00%	2.48%
% Increase (Decrease)	7.16%	-0.34%	16.66%
Other Expenses	4,820.49	5,104.66	4,887.50
% Of Total Revenue	18.23%	24.66%	29.17%
% Increase (Decrease)	-5.57%	4.44%	47.31%
Total Expenses	22,194.81	19,147.64	15,995.06
% Of Total Revenue	83.93%	92.52%	95.47%
% Increase (Decrease)	15.91%	19.71%	24.17%
Earnings Before Interest, Depreciation and Tax (EBITDA)	4,808.54	2,215.71	1,480.15
% Of Total Revenue	18.18%	10.71%	8.83%
Variance	117.02%	49.70%	14.42%
Earnings Before Interest and Tax (EBIT)	4,365.67	1,802.44	1,065.45

Particulars	For the Fiscal Year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
% Of Total Revenue	16.51%	8.71%	6.36%
% Increase (Decrease)	142.21%	69.17%	13.57%
Profit before exceptional items and Tax	4,251.08	1,549.10	758.91
% Of Total Revenue	16.07%	7.48%	4.53%
% Increase (Decrease)	174.42%	104.12%	26.42%
Exceptional Items	-	-	-
Profit before Tax	4,251.08	1,549.10	758.91
% Of Total Revenue	16.07%	7.48%	4.53%
% Increase (Decrease)	174.42%	104.12%	26.42%
Tax Expenses:	611.43	248.08	169.6
% Of Total Revenue	2.31%	1.20%	1.01%
Variance	146.46%	46.27%	41.32%
Profit (Loss) for the period	3,639.65	1,301.02	589.31
% Of Total Revenue	13.76%	6.29%	3.52%
% Increase (Decrease)	179.75%	120.77%	22.70%

COMPARISION OF FISCAL 2024 WITH FISCAL 2023

Income

Total revenue has increased by ₹ 5,749.16 lakhs and 27.78% from ₹ 20,696.75 Lakhs in the fiscal year ended March 31, 2023 to ₹ 26,445.90 Lakhs in the fiscal year ended March 31, 2024. The increase in income is due to increase in revenue, foreign exchange fluctuation gain, other miscellaneous income.

Expenditure

Total Expenditure increased by ₹ 3,047.17 Lakhs and 15.91% from ₹ 19,147.64 Lakhs in the fiscal year ended March 31, 2023 to ₹ 22,194.81 Lakhs in the fiscal year ended March 31, 2024. Overall expenditure was increased mainly due to increase in purchase of stock in trade and change in inventory.

Cost of Material Consumed

Cost of Material Consumed decreased by ₹ 2,302.55 Lakhs and 19.90% from ₹ 11,572.81 Lakhs in the fiscal year ended March 31, 2023 to ₹ 9,270.26 Lakhs in the fiscal year ended March 31, 2024. Cost of material consumed decreases due to purchase of inventory.

Purchase of stock-in-trade

Purchase of stock-in-trade increased by ₹ 1,950.57 Lakhs and 102.12% from ₹ 1,910.16 Lakhs in the fiscal year ended March 31, 2023 to ₹ 3,860.74 Lakhs in the fiscal year ended March 31, 2024.

Changes in inventory of finished goods, work-in -progress, stock-in trade

Changes in inventory of finished goods increased by ₹ 3,605.96 Lakhs and 370.70% from ₹ (972.74) Lakh in the fiscal year ended March 31, 2023 to ₹ 2,633.22 Lakhs in the fiscal year ended March 31, 2024. Changes in inventory of finished goods, work-in-progress, stock-in trade was increased mainly due to increase in finished goods.

Employee Benefit Expense

Employee Benefit Expenses increased by ₹186.52 Lakhs and 21.54% from ₹ 866.13 Lakhs in the fiscal year ended March 31, 2023 to ₹ 1,052.65 lakhs in the fiscal year ended March 31, 2024. Overall employee cost was increased due to increase in salaries & other benefits of employee.

Finance Costs

Our finance costs decreased by ₹ 138.75 Lakhs and 54.77% from ₹ 253.34 lakhs in the fiscal year ended March 31, 2023 to ₹ 114.59 Lakhs in the fiscal year ended March 31, 2024. The Decrease was mainly on account of decrease in interest expense on borrowings.

Depreciation and Amortization Expense

Depreciation in terms of value increased by ₹ 29.59 Lakhs and 7.16% from ₹ 413.27 lakhs in the fiscal year ended March 31, 2023 to ₹ 442.86 Lakhs in the fiscal year ended March 31, 2024. Increase in depreciation is due to increase in amortization expenses of tangible Assets.

Other Expenses

Other Expense was decreased by ₹ 284.18 Lakhs and 5.57% from ₹ 5,104.66 Lakhs in the fiscal year ended March 31, 2023 to ₹ 4,820.49 Lakhs in the fiscal year ended March 31, 2024. Other Expense was decreased due to decrease in freight & forwarding expenses and other expenses.

Profit before Interest, Depreciation and Tax

Profit / Loss before Interest, Depreciation and Tax has increased by ₹ 2,592.83 Lakhs and 117.02% from ₹ 2,215.72 Lakhs in the fiscal year ended March 31, 2023 to Profit before Interest, Depreciation and Tax of ₹ 4,808.54 lakhs in the fiscal year ended March 31, 2024. Profit before exceptional & extraordinary items and Tax was increased due to increase in revenue from operations and increase in profit margins.

Net Profit after Tax and Extraordinary items

Net Profit has increased by ₹ 2,338.63 lakhs and 179.75% from ₹ 1,301.02 Lakhs in the fiscal year ended March 31, 2023 to profit of ₹ 3,639.65 lakhs in the fiscal year ended March 31, 2024.

COMPARISION OF FISCAL 2023 WITH FISCAL 2022

Income

Total revenue has increased by ₹ 3,942.78 lakhs and 23.53% from ₹ 16,753.97 Lakhs in the fiscal year ended March 31, 2022 to ₹ 20,696.75 Lakhs in the fiscal year ended March 31, 2023. The increase in income is due to increase in revenue, foreign exchange fluctuation gain, other miscellaneous income.

Expenditure

Total Expenditure increased by ₹ 3,152.59 Lakhs and 19.71% from ₹ 15,995.05 Lakhs in the fiscal year ended March 31, 2022 to ₹ 19,147.64 Lakhs in the fiscal year ended March 31, 2023. Overall expenditure was increased mainly due to increase in Cost of material consumed and employee benefit expenses.

Cost of Material Consumed

Cost of Material Consumed increased by ₹ 3,164.84 Lakhs and 30.67% from ₹ 10,318.14Lakhs in the fiscal year ended March 31, 2022 to ₹ 13,482.97Lakhs in the fiscal year ended March 31, 2023. Cost of material consumed increases due to purchase of inventory.

Changes in inventory of finished goods, work-in -progress, stock-in trade

Changes in inventory of finished goods increased by ₹ 278.95 Lakhs and 40.21% from ₹ (693.79) Lakh in the fiscal year ended March 31, 2022 to ₹ (972.74) Lakhs in the fiscal year ended March 31, 2023. Changes in inventory of finished goods, work-in-progress, stock-in trade was increased mainly due to increase in finished goods.

Employee Benefit Expense

Employee Benefit Expenses increased by ₹ 104.16 Lakhs and 13.67% from ₹ 761.97 Lakhs in the fiscal year ended March 31, 2022 to ₹ 866.13 lakhs in the fiscal year ended March 31, 2023. Overall employee cost was increased due to increase in salaries & other benefits of employee.

Finance Costs

Our finance costs decreased by ₹ 53.19 Lakhs and (17.35) % from ₹ 306.54 lakhs in the fiscal year ended March 31, 2022 to ₹ 253.34 Lakhs in the fiscal year ended March 31, 2023. The Decrease was mainly on account of decrease in interest expense on borrowings.

Depreciation and Amortization Expense

Depreciation in terms of value decreased by ₹ 1.43 Lakhs and (0.34) % from ₹ 414.70 lakhs in the fiscal year ended March 31, 2022 to ₹ 413.27 Lakhs in the fiscal year ended March 31, 2023. Decrease in depreciation is due to decrease in amortization expenses of intangible Assets.

Other Expenses

Other Expense was increased by ₹ 217.16 Lakhs and 4.44% from ₹ 4,887.50 Lakhs in the fiscal year ended March 31, 2022 to ₹ 5,104.66 Lakhs in the fiscal year ended March 31, 2023. Other Expense was increased due to increase in Labour charges, power & fuel charges, business promotion expense, travelling & conveyance, legal and professional fees, CSR expenses and other expenses.

Profit before Interest, Depreciation and Tax

Profit / Loss before Interest, Depreciation and Tax has increased by ₹ 735.57 Lakhs and 49.70% from ₹ 1,480.15 Lakhs in the fiscal year ended March 31, 2022 to Profit before Interest, Depreciation and Tax of ₹ 2,215.72 lakhs in the fiscal year ended March 31, 2023. Profit before exceptional & extraordinary items and Tax was increased due to increase in revenue from operations and increase in profit margins.

Net Profit after Tax and Extraordinary items

Net Profit has increased by ₹ 711.71 lakhs and 120.77% from ₹ 589.31 Lakhs in the fiscal year ended March 31, 2022 to profit of ₹ 1,301.02 lakhs in the fiscal year ended March 31, 2023.

CASH FLOWS

Cash Flow for the period ended September 30, 2024

The table below summaries our cash flows from our Restated Financial Information for the six months ended September 30, 2024.

<i>(Amount in ₹ Lakh)</i>	
Particulars	For the six months ended September 30, 2024
Net cash generated from/ (used in) operating activities	1,703.45
Net cash generated from/ (used in) investing activities	(280.24)
Net cash generated from/ (used in) financing activities	(1,301.39)
Net increase/ (decrease) in cash and cash equivalents	121.83
Cash and cash equivalents at the beginning of the year	157.54
Cash and cash equivalents for the period ended September 30, 2024	279.36

Operating Activities

Our net cash from operating activities was ₹ 1,703.45 lakhs for the six months ended September 2024. Our operating loss/profit before working capital changes was ₹ 1,909.21 lakhs for the six months ended September 2024 which was primarily adjusted for Working Capital Utilisation.

Investing activities

Net cash used in investing activities was ₹ 280.24 lakhs for the six months ended September 2024. This was primarily on account of purchase of assets.

Financing activities

Net cash used in financing activities for the six months ended September 2024 was ₹ 1,301.39 lakhs. This was on account of Repayment of Borrowings.

Comparison of Cash Flow for the Fiscal 2024, Fiscal 2023 and Fiscal 2022:

The table below summaries our cash flows from our Restated Consolidated Financial Information for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022:

<i>(Amount in ₹ Lakh)</i>			
Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net cash generated from/ (used in) operating activities	1,085.80	782.23	1,487.10
Net cash generated from/ (used in) investing activities	(8,187.06)	(429.08)	(429.97)
Net cash generated from/ (used in) financing activities	7,230.32	(434.72)	(966.69)
Net increase/ (decrease) in cash and cash equivalents	129.07	(81.56)	90.44
Cash and cash equivalents at the beginning of the year	28.47	110.03	19.60
Cash and cash equivalents for the Fiscal year ended March 31, 2024	157.54	28.47	110.03

Operating Activities

Operating activities comprise of profit/(loss) for the year before interest, depreciation and finance charges, changes in working capital and further adjustment of non-cash items.

Net cash generated from operating activities was ₹ 1,085.80 lakhs for the financial year 2023-24. Our operating profit before working capital changes was ₹ 4,622.33 lakhs for the financial year 2023-24 which was primarily adjusted for Working Capital requirements.

Net cash generated from operating activities was ₹ 782.23 lakhs for the financial year 2022-23. Our operating profit before working capital changes was ₹ 2,168.32 lakhs for the financial year 2022-23 which was primarily adjusted for Working Capital requirements.

Net cash generated from operating activities was ₹ 1,487.10 lakhs for the financial year 2021-22. Our operating profit before working capital changes was ₹ 1,433.59 lakhs for the financial year 2021-22 which was primarily adjusted for Working Capital requirements.

Investing activities

Investing activities comprises of Purchase of Fixed Assets, Sale of Fixed Assets, Capital work in Progress, Long Term Advances, Non Current Assets, Non Current Investment, Interest on FD.

Net cash used in investing activities was ₹ 8,187.06 lakhs for the financial year 2023-24. This was primarily on account of purchase of assets and bank deposits.

Net cash used in investing activities was ₹ 429.08 lakhs for the financial year 2022-23. This was primarily on account of purchase of assets.

Net cash used in investing activities was ₹ 429.97 lakhs for the financial year 2021-22. This was primarily on account of Increase in Capital Work in Progress and purchase of assets.

Financing activities

Financing activities comprises of Proceeds from Long term Borrowings, Cash Received from Share Premium and Interest paid.

Net cash generated from financing activities for the financial year 2023-24 was ₹ 7,230.32 lakhs. This was on account of Long Terms Borrowings and Increase in the Share Capital Premium.

Net cash used in financing activities for the financial year 2022-23 was ₹ 434.72 lakhs. This was on account of repayment of borrowings.

Net cash used in financing activities for the financial year 2021-22 was ₹ 966.69 lakhs. This was on account of repayment of borrowing.

Financial Indebtedness

Our total outstanding secured and unsecured borrowing from banks & financial institutions is bifurcated into following manner for the period mentioned below:

(Rs. In Lakh)				
Category of Borrowings	O/s as on September 30, 2024	O/s as on March 31, 2024	O/s as on March 31, 2023	O/s as on March 31, 2022
Long Term Borrowings	113.63	149.81	547.41	693.18
- Term Loans*	111.72	147.49	248.21	323.67
- Other Non-Current liability	1.91	2.32	299.20	369.52
Short Term Borrowings	92.00	1,129.28	1,730.82	1,716.35
Total	205.63	1279.09	2278.23	2,409.53

Contingent Liabilities

Company has Liability Disputed with Gujarat Pollution Control Board of Rs. 411.60 Lakhs.

Discussion of other aspects as mandated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

- (a) **Unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.**

Except as described in this Draft Letter of Offer, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

- (b) **Significant economic changes that materially affected or are likely to affect income from continuing operations;**

To the knowledge of the management of our Company, there have been no significant economic changes in the industry in the recent past, which are likely to affect income from continuing operations.

- (c) **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations;**

Apart from the risks as disclosed under Section “**Risk Factors**” beginning on page 23 of this Draft Letter of Offer, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

- (d) **Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known;**

Other than as described in the Section titled “**Risk Factors**” on page 23 of this Draft Letter of Offer, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

- (e) **Details of the extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices;**

Increases in revenues are by and large linked to increases in volume of business.

- (f) **Details of the total turnover of each major industry segment in which the issuer operated;**

Our Company is currently operating in one business segment and the entire turnover of the Company is from its current business segment.

(g) **Details of status of any publicly announced new products or business segment;**

As our Company has not announced any new Product, this is not applicable.

(h) **Details of the extent to which business is seasonal;**

Our Company's business is not seasonal in nature.

(i) **Details of significant dependence on a single or few suppliers or customers;**

The revenue of our company is dependent on top 10 customers.

(j) **Competitive conditions.**

We face competition from the unorganized sector as well as organized sector. For further details, kindly refer the chapter titled "*Our Business*" beginning on page 69 of this Draft Letter of Offer.

Related Party Transactions

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relate to purchase and sale of products, remuneration, sitting fees, borrowings, deposits, rent, interest, etc. For further details of such related parties under AS-18, refer chapter titled "*Financial Information*" beginning on page 105 of this Draft Letter of Offer.

Significant Developments since last balance sheet date

Except as disclosed above and in this Draft Letter of Offer, including under "*Our Business*" and "*Risk Factors*" on pages 69 and 23 of this Draft Letter of Offer, respectively, to our knowledge no circumstances have arisen since September 30, 2024, the date of the last financial information disclosed in this Draft Letter of Offer which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

MARKET PRICE INFORMATION

Our Company's Equity Shares have been listed and traded on Emerge Platform of National Stock Exchange of India Limited from December 15, 2023.

- a) Year is a Financial Year;
- b) Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
- c) High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
- d) In case of two days with the same high / low / closing price, the date with higher volume has been considered.

Stock Market Data of the Equity Shares

- a. The high, low and average market prices of the equity shares of the Company during the preceding three years:

Financial Year	High (₹)	Date of high	No. of shares traded on date of high	Total volume traded on date of high (in ₹)	Low (₹)	Date of low	No. of shares traded on date of low	Total volume of traded on date of low (in ₹)	Average price for the year (₹)
FY 22	NA	NA	NA	NA	NA	NA	NA	NA	NA
FY 23	NA	NA	NA	NA	NA	NA	NA	NA	NA
FY 24*	364	05-01-2024	3,51,000	11,98,31,800	224	14-Mar-2024	4,53,000	10,52,58,400	278.97

*From December 15, 2023 to March 31, 2024, since the company is listed on NSE Emerge from December 15, 2023.

- b. Monthly high and low prices for the six months preceding the month of Draft Letter of Offer:

The total number of days trading during the past six months, from May 2024 to October 2024 was 127. The average volume of Equity Shares traded on the NSE was 44,220 per day.

The high and low prices and volume of Equity Shares traded on the respective date on the NSE during the last six months preceding the date of filing of this Draft Letter of Offer are as follows:

Month	Date of high	High (₹)	Volume (No. of shares)	Total volume traded on date of high (in ₹)	Date of low	Low (₹)	Volume (No. of shares)	Total volume traded on date of low (in ₹)	Average price for the month (₹)
Jun-24	12-06-2024	301.00	30,500	88,62,400	04-06-2024	245.05	62,000	1,64,12,050	281.22
Jul-24	09-07-2024	315.00	2,34,500	7,17,68,475	03-07-2024	274.00	61,000	1,70,03,575	289.25
Aug-24	01-08-2024	292.05	19,000	54,67,900	14-08-2024	261.60	26,000	68,77,675	276.38
Sep-24	25-09-2024	300.00	50,000	1,47,61,300	19-09-2024	270.50	19,500	53,22,550	279.20
Oct-24	17-10-2024	305.00	1,27,500	36,504,225	25-10-2024	234.00	59,000	1,48,99,675	270.05

Nov-24	1-11-2024	263.95	7,000	18,33,100	18-11-2024	240.15	21,500	52,25,750	249.81
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- c. **Market price of equity shares immediately after the date on which the resolution of the board of directors approving the issue:** The High, Low and closing market price of the Equity Shares of the Company on NSE Limited, as on October 30, 2024 (being a day immediately after the date on which resolution of Board of Directors was passed for approving Rights issue) was ₹ 262, ₹252 and ₹ 259.30 respectively.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings involving our Company, Directors, or Promoters; (ii) actions by any statutory or regulatory authorities involving our Company, Directors, or Promoters; or (iii) claim involving our Company, Directors, or Promoters for any direct or indirect tax liabilities (disclosed in a consolidated manner giving the total number of claims and total amounts involved), (iv) proceeding involving our Company, Directors, or Promoters (other than proceedings covered under (i) to (iii) above) which has been determined to be “material” pursuant to the materiality policy approved by our Board in its meeting held on October 9, 2023 (“**Materiality Policy**”) (as disclosed herein below).

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies/entities, would be considered material for the purposes of disclosure if:

- a. the monetary amount of the claim made by or against the Company and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or
- b. where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and
- c. any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings where in the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company. Unless otherwise stated to contrary, the information provided is as of date of the Draft Letter of Offer.

Further, except as disclosed in this section, there are no disciplinary action taken against any of our Promoters by SEBI or the Stock Exchange in the five Fiscals preceding the date of this Draft Letter of Offer.

Further, in accordance with the Materiality Policy, a creditor of our Company, shall be considered to be material creditor (except banks and financial institutions from whom the Company has availed financing facilities) for the purpose of disclosure in the Draft Letter of Offer, a creditor of the Company shall be considered to be material for the purpose of disclosure in the Draft Letter of Offer, if amounts due to such creditor exceed 5% of the total consolidated trade payables of the Company as per the latest restated financial statements of the Company, as disclosed in the Draft Letter of Offer. Accordingly, we have disclosed consolidated information of outstanding dues owed to any creditors of our Company, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹ 96.15 Lakhs (being approximately 5 per cent. of total consolidated trade payables of the Company as at March 31, 2024 as per the Restated Financial Information) (“**Material Dues**”). Further, in accordance with the Materiality Policy for the disclosure of the outstanding dues to any party which is a micro, small or a medium enterprise (“**MSME**”) will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

Unless stated to the contrary, the information provided in this section is as of the date of this Draft Letter of Offer. All terms defined in a summary pertaining to a particular litigation shall be construed only in respect of the summary of the litigation where such term is used.

1. Litigation Involving our Company

i. Litigation against our Company

a) *Criminal Proceedings*

Nil

b) *Actions taken by Statutory/Regulatory Authorities*

Nil

c) *Other Material Litigation:*

Case No.	OA No. 60/2021 (Western Zone)
Court	Pune
Case type	National Green
Amount Involved	4,11,60,000
Petitioner	Aryavart Foundation
Respondent	Hemani Industries Ltd. & Ors.
Facts of the case	In the case of Aryavart Foundation v/s Hemani Industries Ltd.& Ors OA no. 60/2021 West Zone, Pune Bench. The case was registered on 7th August 2022 and was first listed on 6th July 2022. The case is in relation with wastewater management by the industries and Gujarat Infrastructure Development Corporation (GIDC) in the Dahej industrial area. Though the industry is discharging wastewater meeting the GPCB discharge standards, however the industry has provided ETP of treatment capacity (reportedly 250 KLD) lesser than the wastewater generation and discharge permission as per CCA (790 KLD). Therefore, the industry is considered as non-complying with the CCA condition. Moreover, the industry has been issued closure directions under Section 33A of the Water (Prevention & Control of Pollution) Act, 1974 by GPCB on following dates in last 5 years: 12.04.2016, 28.11.2017, 06.12.2019 and 27.05.2020. The industry needs to re-examine the quantity of wastewater generation to augment the ETP with adequate capacity. Hazardous waste was found stored on uncovered area for drying without leachate collection and treatment facility. The industry also needs to improve facility for intermediate storage and handling of hazardous waste by providing covered shed with leachate collection. The Hon'ble National Green Tribunal order dated 2nd Feb 2022, as a result of Company failure to comply with the environmental law's statutory requirements, the NGT declared the Company responsible for their actions. The estimated compensation was INR 4.116 Cr, and the number of days in violation was 2058. The matter was last heard on 19th September 2022 and still pending. In the Original Matters there are six Interim Application filled by various Respondents including us. The matter is sub-judice and registered with NGT Pune Bench and waiting for it's hearing.
Status of the Litigation	The matter was last heard on September 19, 2022 with the next date of hearing in the matter being February 18, 2025.

d) *Disciplinary action against our Company by SEBI or any stock exchange in the last five Fiscals*

Nil

ii. Litigation by our Company

a) *Criminal Proceedings*

Nil

b) *Civil and other Material Litigations*

Nil

2. Litigation Involving our Promoters / Directors

i. Cases filed against our Promoters / Directors

a) *Criminal Proceedings*

Nil

b) *Actions taken by Statutory/Regulatory Authorities*

Nil

c) *Other Material Litigations*

Nil

d) *Disciplinary action against our Promoters by SEBI or any stock exchange in the last five Fiscals*

Nil

ii. Cases filed by our Promoter / Director

a) *Criminal Proceedings: 1*

Case No.	CC/3003272/2010
Court	Ahmedabad
Case type	Criminal Case
Cause of Action	Under Section 138 of Negotiable Instruments Act, 1881
Outstanding Amount	Not quantifiable till date
Petitioner	Vasant Vadilal Patel
Respondent	Bargon Pharmaceuticals Pvt. Ltd.
Facts of the case	The Petitioner has filed a Criminal Case vide Case No. 3003272/2010 before the Court of Hon'ble Criminal Judge, Senior Division, Ahmedabad against Bargon Pharmaceuticals Pvt. Ltd. The matter is under consideration with the Hon'ble Court & the same is pending at the stage of process to accused.
Status of the Litigation	The last date of hearing was on November 21, 2024, with the next date of hearing in this matter being on January 27, 2025.

b) *Other Material Litigations*

Nil

3. Tax Proceedings

Below are the details of pending tax cases involving our Company, specifying the number of cases pending and the total amount involved:

(₹ in Lakhs)

Particulars	Number of cases	Amount involved
<i>Our Company</i>		
Direct Tax	NIL	NIL
Indirect Tax	1	₹ 1.24
<i>Our Directors (other than Promoters)</i>		
Direct Tax	NIL	NIL
Indirect Tax	NIL	NIL
<i>Our Promoters</i>		
Direct Tax	2	₹ 36.13
Indirect Tax	NIL	NIL
<i>Our Subsidiaries</i>		
Direct Tax	NA	NA

Indirect Tax	NA	NA
Total	NA	NA

a) *Direct Tax Proceedings related to our Company*

Assessment Year	Document Identification Number	Demand Notice Amount	Current Status
NIL			

b) *Indirect Tax Proceedings related to our Company*

Assessment Year	Reference Number	Demand Notice Amount	Current Status
Pre GST Regime	ZD240323024095W (date of issuance: March 17, 2023)	₹ 3,379/-	Pre GST recovery adjusted through electronic credit ledger
Pre GST Regime	ZD2403230240360 (date of issuance: March 17, 2023)	₹ 1,85,017/-	Pre GST recovery adjusted through electronic credit ledger
20-21	ZA241219007780Q	₹ 1,23,588/-	Appeal filed, demand has been pre-deposited full with penalty (Appeal for the refund)

c) *Direct Tax Proceedings related to our Directors (other than Promoter)*

Assessment Year	Name	Demand Reference Number	Demand Notice Amount	Current Status
NIL				

d) *Direct Tax Proceedings related to our Promoters*

Assessment Year	Name of the Assessee	Date of Demand Raised	Demand Reference No. and Section Code	Accrued Interest	Outstanding demand as per Income Tax Portal	Reasons for Demand Notice Issued
2020	Ghanshyam Arjanbhai Patel	September 22, 2022	2022202037115020 374T Section Code: 143(3)	₹ 2,44,269/-	₹ 11,49,059/-	Taxes paid are found to be less than the amount owe.
2013	Vinodbhai Manibhai Patel	September 9, 2021	2021201337002399 592T Section Code: 147	₹ 74,976/-	₹ 24,64,256/-	Taxes paid are found to be less than the amount owe.

4. Outstanding Dues to Small Scale Undertakings or Any Other Creditors

As per the Materiality Policy, a creditor of the Company shall be considered to be material for the purpose of disclosure in the Draft Letter of Offer, if amounts due to such creditor exceed 5% of the total consolidated trade payables of the Company as per the latest restated financial statements of the Company, as disclosed in the Draft Letter of Offer. Accordingly as of March 31, 2024, a creditor has been considered 'material' by our Company as per following table:

Particulars	No. of Creditors	Amount outstanding (₹ in lakhs)
Outstanding dues to small scale undertakings	32	166.59
Outstanding dues to material creditors	4	1005.40
Outstanding dues to other creditors	204	751.04

Total outstanding dues	240	1923.03
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For further details, refer to the section titled “*Financial Information*” on page 102 of this Draft Letter of Offer.

The details pertaining to outstanding dues to Material Creditors, along with the name and amount involved for each such Material Creditor, are available on the website of our Company at <https://accentmicrocell.com/>. It is clarified that such details available on our Company’s website do not form a part of this Draft Letter of Offer and should not be deemed to be incorporated by reference. Anyone placing reliance on any source of information including our Company’s website, <https://accentmicrocell.com/> would be doing so at their own risk.

5. Disclosures Pertaining to Wilful Defaulters

Neither our Company, nor our Promoters, and Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

There are no violations of securities laws committed by them in the past or are currently pending against any of them.

6. Material Development since March 31, 2024.

Except as disclosed in “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on page 105 of this Draft Letter of Offer, there have been no material developments, since the date of the last financial statements disclosed in this Draft Letter of Offer, any circumstances, which materially and adversely affect, or are likely to affect our trading or profitability of our Company or the value of our assets or our ability to pay our liabilities within the next 12 months.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has obtained necessary consents, licenses, permissions and approvals from governmental and regulatory authorities that are material for carrying on our present business activities. Some of the approvals and licenses that our Company requires for our business operations may expire in the ordinary course of business, and our Company will apply for their renewal from time to time.

We are not required to obtain any licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, please refer to the chapter titled “*Objects of the Issue*” at page 47 of this Draft Letter of Offer.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Issue

The Issue has been authorised by a resolution of the Board passed at its meeting held on October 29, 2024, pursuant to Section 62 of the Companies Act, 2013.

The Draft Letter of Offer was approved by the Rights Issue Committee of our Board of Directors pursuant to its resolution dated December 24, 2024. The Letter of Offer was approved by our Board pursuant to its resolution dated [●].

The Committee of Directors of our Company has, at its meeting held on [●], determined the Issue Price as ₹ [●] per Equity Share, and the Rights Entitlement as [●]([●]) Equity Share for every [●] ([●]) Equity Share held on the Record Date.

Our Company has received in-principle approvals from NSE in accordance with Regulation 28(1) of the SEBI LODR Regulations for listing of the Equity Shares to be Allotted in this Issue pursuant to its letter dated [●]. Our Company will also be making application to NSE to obtain its trading approval for the Rights Entitlements as required under the SEBI - Rights Issue Circulars.

Our Company has been allotted the ISIN [●] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Equity Shareholders of our Company. For details, see "**Terms of the Issue**" beginning on page 133 of this Draft Letter of Offer.

Prohibition by SEBI and other Governmental Authorities

Our Company, our Promoters, our Promoter Group or our Directors, the persons in control of our Company and the persons in control of our Corporate Promoters have not been and are not prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

The companies with which the Promoters or the Directors are associated as promoters or directors have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our individual Promoters nor any of our Directors have been declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018).

None of our Company, Promoter or director have been identified as willful Defaulters by the RBI.

None of our Directors hold current or have held directorship(s) in the last five years in a listed company whose shares have been or were suspended from trading on BSE or the NSE or in a listed company which has been / was delisted from any stock exchange.

None of our Directors hold or have held directorships in the last ten (10) years in a listed company whose shares have been delisted from any recognised stock exchange in India during the term of their directorship in such company.

We confirm that there are no proceedings initiated by SEBI, Stock Exchange or ROC, etc. on our Company/Promoters/Directors/Group Companies.

Prohibition by RBI

Our Company, our Promoters, our Promoter Group or our Directors, the persons in control of our Company and the persons in control of our Corporate Promoters have not been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Compliance with Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters and the members of our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market.

Eligibility for this Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on Emerge Platform of NSE. Our Company is eligible to offer Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Pursuant to Clauses (1) and (2) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B-1 of Schedule VI to the SEBI ICDR Regulations.

Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to the Issue. NSE Limited is the Designated Stock Exchange for the Issue.

Applicability of the SEBI ICDR Regulations

The present Issue being of less than ₹ 4,000 Lakhs, Our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI, i.e. www.sebi.gov.in.

Compliance with Part B-1 of Schedule VI of the SEBI ICDR Regulations

Our Company is not in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI ICDR Regulations as explained below:

1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable for the last one year immediately preceding the date of filing of the Draft Letter of Offer with the Designated Stock Exchange; ***Since the Company has been listed on December 15, 2023, period one year has not lapsed, accordingly disclosure has been made as per Part b-1 of Schedule VI***
2. The reports, statements and information referred to above are available on the websites of NSE; and
3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

Disclaimer Clause of SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of issue is up to ₹ 4,000 lakhs. The present Issue being of less than ₹ 5,000 lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file a copy of the Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI i.e. www.sebi.gov.in.

Disclaimer from our Company and our Directors

Our Company and our Directors accept no responsibility for statements made otherwise than in this Draft Letter of Offer or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.accentmicrocell.com or an affiliate of our Company would be doing so at his or her own risk.

All information shall be made available by our Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Investors will be required to confirm and will be deemed to have represented to our Company and its directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company and its directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

No information which is extraneous to the information disclosed in this Draft Letter of Offer or otherwise shall be given by our Company or any member of the Issue management team or the syndicate to any particular section of investors or to any research analyst in any manner whatsoever, including at road shows, presentations, in research or sales reports or at bidding centers.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

Disclaimer in respect of Jurisdiction

This Draft Letter of Offer has been prepared under the provisions of Indian law and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Gujarat, India only.

Disclaimer Clause of NSE

As required, a copy of the Draft Letter of Offer has been submitted to the NSE. The Disclaimer Clause as intimated by NSE to us, post scrutiny of the Draft Letter of Offer is set out below:

“National Stock Exchange of India Limited (“Exchange”) has given vide its letter dated [●], permission to this Company to use the Exchange's name in this Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- i. Warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; or
- ii. Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- iii. Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company; and

it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever”

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue is NSE Limited.

Listing

The existing Equity Shares are listed on Emerge platform of NSE. We have made an application to NSE for obtaining in-principle approval in respect of the Rights Equity Shares. We will apply to NSE for listing and trading of the Rights Equity Shares. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

If the permission to deal in and an official quotation of the securities is not granted by the Stock Exchange on the expiry of 15 days from the Issue Closing Date, we shall forthwith repay, without interest, all monies received from applicants in pursuance of the Letter of Offer.

We will issue and dispatch Allotment advice/ share certificates/ demat credit and/ or letters of regret along with refund order or credit the Allotted Equity Shares to the respective beneficiary accounts, if any, within a period of 15 days from the Issue Closing Date.

If such money is not repaid beyond eight days after our Company becomes liable to repay it, i.e., the date of refusal of an application for such a permission from a Stock Exchange, or on expiry of 15 days from the Issue Closing Date in case no permission is granted, whichever is earlier, then our Company and every Director who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest as per applicable law.

Selling Restrictions

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Application Form, the Rights Entitlement Letter and the issue of Rights Entitlements and Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Letter of Offer, Abridged Letter of Offer Application Form and the Rights Entitlement Letter may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders of our Company and will dispatch the Letter of Offer, Abridged Letter of Offer, Application Form and the Rights Entitlement Letter only to Eligible Equity Shareholders who have provided an Indian address to our Company.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that the Letter of Offer has been filed with SEBI and NSE.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

This Draft Letter of Offer and its accompanying documents are being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose. If this Draft Letter of Offer is received by any person in any jurisdiction where to do so would or might contravene local securities laws or regulation, or by their agent or nominee, they must not seek to subscribe to the Equity Shares or the Rights Entitlement referred to in this Draft Letter of Offer. Investors are advised to consult their legal counsel prior to applying for the Rights Entitlement and Equity Shares or accepting any provisional allotment of Equity Shares, or making any offer, sale, resale, pledge or other transfer of the Equity Shares or Rights Entitlement.

Neither the delivery of this Draft Letter of Offer nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as of any time subsequent to this date or the date

of such information. Each person who exercises Rights Entitlements and subscribes for Equity Shares, or who purchases Rights Entitlements or Equity Shares shall do so in accordance with the restrictions set out below.

NO OFFER IN THE UNITED STATES

THE RIGHTS ENTITLEMENTS AND THE EQUITY SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD, RESOLD OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THE RIGHTS ENTITLEMENTS AND EQUITY SHARES REFERRED TO IN THE LETTER OF OFFER ARE BEING OFFERED IN INDIA, BUT NOT IN THE UNITED STATES. THE OFFERING TO WHICH THE LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY EQUITY SHARES OR RIGHTS ENTITLEMENTS FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. Envelopes containing an Application Form should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and this Draft Letter of Offer, Letter of Offer/ Abridged Letter of Offer, Application Form and the Rights Entitlement Letter will be dispatched to the Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who acquires the Rights Entitlements and the Equity Shares will be deemed to have declared, represented, warranted and agreed, by accepting the delivery of the Letter of Offer, (i) that it is not and that, at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made; and (ii) is authorised to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws, rules and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in or dispatched from the United States of America; (ii) does not include the relevant certification set out in the Application Form headed “Overseas Shareholders” to the effect that the person accepting and/or renouncing the Application Form does not have a registered address (and is not otherwise located) in the United States, and such person is complying with laws of the jurisdictions applicable to such person in connection with the Issue, among others; (iii) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; or (iv) where a registered Indian address is not provided, and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

None of the Rights Entitlements or the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”), or any state securities laws in the United States. Accordingly, the Rights Entitlements and Equity Shares are being offered and sold only outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales are made.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS LETTER OF

OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

Consents

Consents in writing of: our Directors, Chief Financial Officer, legal advisor, Bankers to the Company, the Registrar to the Issue and the Bankers to the Issue* to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

**Will be obtained at the time of filing of the Letter of Offer*

Our Company has received written consent dated November 20, 2024 from our Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated November 20, 2024 on our Restated Financial Information for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and for the Six months period ended September 30, 2024; and (ii) the Statement of Tax Benefits dated November 20, 2024 in the form and context in which it appears in this Draft Letter of Offer. Such consent has not been withdrawn up to the date of this Draft Letter of Offer.

Expert Opinion

Our Company has received written consent dated November 20, 2024 from our Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Letter of Offer as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated November 20, 2024 on our Restated Financial Information for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and for the Six months period ended September 30, 2024; and (iii) the Statement of Tax Benefits dated November 20, 2024 in the form and context in which it appears in this Draft Letter of Offer. Such consent has not been withdrawn up to the date of this Draft Letter of Offer.

Except for the abovementioned documents, provided by T R Chadha & Co LLP., Chartered Accountants, our Company has not obtained any expert opinions.

Performance vis-à-vis objects – Public/Rights Issue of our Company

The Company has successfully completed the objects of the previous Public Issue in financial year 2023-24. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

Performance vis-à-vis objects – Last issue of listed Subsidiaries or Associates

Our Company does not have subsidiary company. Further, none of our associate Company is listed on any Stock Exchange in India or abroad.

Stock Market Data of the Equity Shares

Our Equity Shares are listed and traded on NSE. For details in connection with the stock market data of the Stock Exchanges, please refer to the chapter titled “*Market Price Information*” on page 116 of this Draft Letter of Offer.

NOTICE TO INVESTORS

NO ACTION HAS BEEN TAKEN OR WILL BE TAKEN THAT WOULD PERMIT A PUBLIC OFFERING OF THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES TO OCCUR IN ANY JURISDICTION OTHER THAN INDIA, OR THE POSSESSION, CIRCULATION OR DISTRIBUTION OF THIS DRAFT LETTER OF OFFER OR ANY OTHER MATERIAL RELATING TO OUR COMPANY, THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN ANY JURISDICTION WHERE ACTION FOR SUCH PURPOSE IS REQUIRED. ACCORDINGLY, THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, AND NEITHER THIS DRAFT LETTER OF OFFER NOR ANY OFFERING MATERIALS OR ADVERTISEMENTS IN CONNECTION WITH THE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES MAY BE DISTRIBUTED OR PUBLISHED IN OR FROM ANY COUNTRY OR JURISDICTION EXCEPT IN ACCORDANCE WITH THE LEGAL REQUIREMENTS APPLICABLE IN SUCH COUNTRY OR

JURISDICTION. THIS ISSUE WILL BE MADE IN COMPLIANCE WITH THE APPLICABLE SEBI REGULATIONS. EACH PURCHASER OF THE RIGHTS ENTITLEMENTS OR THE RIGHTS EQUITY SHARES IN THIS IS SUE WILL BE DEEMED TO HAVE MADE ACKNOWLEDGMENTS AND AGREEMENTS.

Filing

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Draft Letter of Offer has been filed with NSE and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with NSE.

Issue Related Expenses

The Issue related expenses include, among others, fees to various advisors, printing and distribution expenses, advertisement expenses and registrar and depository fees. The estimated Issue related expenses are as follows:

Activity	*Expense (in ₹ Lakh)	Percentage of Issue Expenses	Percentage of the Issue size
Fees of Bankers to the Issue, Registrar to the Issue, Legal Advisor, Auditor's fees, Advisor fee including out of pocket expenses etc.	[•]	[•]	[•]
Expenses relating to advertising, printing, distribution, marketing and stationery expenses	[•]	[•]	[•]
Regulatory fees, filing fees, listing fees and other miscellaneous expenses	[•]	[•]	[•]
Total Estimated Issue expenses	[•]	[•]	[•]

** Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.*

Mechanism for Redressal of Investor Grievances

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI LODR Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. Consequently, investor grievances are tracked online by our Company.

Our Company has a Stakeholders Relationship Committee which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of Shareholders in relation to transfer of shares and effective exercise of voting rights. KFIN Technologies Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Managing Director and Chief Financial Officer.

Investor complaints received by our Company are typically disposed of within 15 days from the receipt of the complaint.

Investor Grievances arising out of this Issue

Investors may contact the Registrar or our Managing Director & Chief Financial Officer for any pre Issue or post Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs(in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Equity Shares applied for, amount blocked (in case of ASBA process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on

the ASBA process, see “*Terms of the Issue*” beginning on page 133 of this Draft Letter of Offer. The contact details of Registrar to the Issue and our Managing Director and Chief Financial Officer are as follows:

Investor Grievances arising out of this Issue Investors may contact the Registrar to the Issue at

Registrar to the Issue

KFIN TECHNOLOGIES LIMITED

Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana

Tel No.: +91 40 6716 2222

Toll Free No.: 1800 309 4001

E-mail: aml.ipo@kfintech.com

Investor Grievances Email Id: einward.ris@kfintech.com

Website: www.kfintech.com

SEBI Registration No.: INR000000221

Contact Person: M Murali Krishna

Investors may contact the Managing Director and Chief Financial Officer at the below mentioned address for any pre-Issue/ post-Issue related matters such as non-receipt of Letters of Allotment / share certificates/ demat credit/ Refund Orders etc.

Ghanshyam Arjanbhai Patel

ACCENT MICROCELL LIMITED

314, Shangrilla Arcade, Shyamal Cross Roads,

Anandnagar Road, Satellite,

Ahmedabad, Gujarat, 380015;

Tel: +91 – 75758 03351;

Email: cs@accentmicrocell.com

Status of outstanding investor complaints

As on the date of the DLOF, there were nil outstanding investor complaints.

Changes in Statutory Auditors during the last three years

There has been no change in the Statutory Auditors during the three years immediately preceding the date of this Draft Letter of Offer except the following:

Name of Auditor	Appointed for the Period	Date of Appointment/ Reappointment	Date of Resignation	Reason for Resignation
M/s T R Chadha & Co LLP FRN: 006711N/ N500028 Peer Review: 014544 E-Mail: ahmedabad@trchadha.com Address: 610 – 611, Shivalik Shilp II, Opp Hotel ITC Narmada, Keshavbaug Road, Vastrapur, Ahmedabad, Gujarat, India 380015	April 01, 2023 to March 31, 2028	August 28, 2023	NA	NA
M/s Rajiv Shah & Associates FRN: 108454W Peer Review: 015188 E-Mail: Address: 1111-1112, Shivalik-Shilp-2, Opp. ITC, Narmada Hotel, Mansi Tower Road, Keshavbaug, Vastrapur, Ahmedabad, Gujarat, India, 380015	April 10, 2012 to March 31, 2023	March 04, 2019	NA	NA

Minimum Subscription

Our Promoters and members of our Promoter Group have vide their letters each dated October 29, 2024 informed us that they shall not be renouncing their entire Rights Entitlements to third parties except to the extent of renunciation within the promoter group. However, the objects of the Issue involve financing of capital expenditure for a project. Accordingly, minimum subscription criteria provided under Regulation 86(1) of the SEBI ICDR Regulations shall apply to this Issue. In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive the minimum subscription of at least 90% of the Issue of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with the SEBI Master Circular. If there is a delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates as prescribed under the applicable laws.

Our Company is in compliance with Regulation 38 of the SEBI (LODR) Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to the Issue.

SECTION VII: ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in the Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Master Circular, Investors proposing to apply in the Issue can apply only through ASBA or by mechanism as disclosed in this Draft Letter of Offer.

Investors are requested to note that application in the Issue can only be made through ASBA or any other mode which may be notified by SEBI.

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account.

On submission of such documents /records confirming the legal and beneficial ownership of the Securities with regard to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to the Rights Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

OVERVIEW

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.

IMPORTANT

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations, the SEBI Relaxation Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then

the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Shareholders can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable laws) on the websites of:

- (i) our Company at www.accentmicrocell.com
- (ii) the Registrar at www.kfintech.com; and
- (iii) the Stock Exchanges at www.nseindia.com;

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.kfintech.com;) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.accentmicrocell.com).

Please note that neither our Company nor the Registrar shall be responsible for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the e-mail addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer is being filed with the Stock Exchanges. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue, will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or their respective affiliates to make any filing or registration (other than in India).

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Rights Issue Circulars and the ASBA Circulars, all Shareholders desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Shareholders should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlement credited in their respective **demat accounts or demat suspense escrow account**, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see “**Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders**” below.

Please note that one single Application Form shall be used by Shareholders to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Shareholders who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Shareholders will have to apply for the Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Shareholders are required to submit a separate Application Form for each demat account.

Shareholders may apply for the Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Shareholders are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details see “**Grounds for Technical Rejection**” below. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, the Eligible Equity Shareholders may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “**Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**” below.

➤ **Options available to the Eligible Equity Shareholders**

The Rights Entitlement Letter will clearly indicate the number of Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- (i) apply for its Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Equity Shares to the full extent of its Rights Entitlements and apply for additional Equity Shares; or
- (v) renounce its Rights Entitlements in full.

➤ **Making of an Application through the ASBA process**

Shareholders, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Shareholders desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Shareholders should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>.

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Do's for Shareholders applying through ASBA:

- (a) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only.
- (b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (c) Ensure that there are sufficient funds (equal to {number of Equity Shares (including additional Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- (e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.

Don'ts for Shareholders applying through ASBA:

- (a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- (b) Do not send your physical Application to the Registrar, the Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- (d) Do not submit Application Form using third party ASBA account.

➤ **Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, Stock Exchanges. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder who has not provided an Indian address or is a U.S. Person or in the United States.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- (a) Name of our Company, being ACCENT MICROCELL LIMITED ;
- (i) Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- (ii) Folio Number (in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
- (iii) Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue
- (iv) Number of Equity Shares held as on Record Date;
- (v) Allotment option – only dematerialised form;
- (vi) Number of Equity Shares entitled to;
- (vii) Number of Equity Shares applied for within the Rights Entitlements;
- (viii) Number of additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
- (ix) Total number of Equity Shares applied for;
- (x) Total amount paid at the rate of ₹ 10 per Equity Share;
- (xi) Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
- (xii) In case of non-resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- (xiii) Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- (xiv) Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- (xv) All such Eligible Equity Shareholders are deemed to have accepted the following:

“I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for Shareholders in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/ We (i) am/ are, and the person, if any, for whose account I/ we am/ are acquiring such Rights Entitlement and/ or the Rights Equity Shares is/ are, outside the U.S., (ii) am/ are not a “U.S. Person” as defined in (“Regulation S”), and (iii) is/ are acquiring the Rights Entitlement and/ or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where a Shareholders submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Shareholders are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Shareholders. The plain paper Application format will be available on the website of the Registrar at www.kfintech.com.

Our Company, and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Shareholders’ ASBA Accounts on or before the Issue Closing Date.

➤ **Making of an Application by Eligible Equity Shareholders holding Equity Shares in physical form**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either through email to the RTA at aml.rights@kfintech.com or by post, speed post, courier or hand delivery, so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;

- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The remaining procedure for Application shall be same as set out in “Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” mentioned above.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.

Application for Additional Equity Shares

Shareholders are eligible to apply for additional Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in “Basis of Allotment” mentioned below.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Additional general instructions for Shareholders in relation to making of an application

- (a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section “Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process” mentioned above.
- (d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- (e) Applications should not be submitted to the Banker(s) to the Issue or Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar.
- (f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Shareholders for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Equity Shares pursuant to this Issue shall be made into the accounts of such Shareholders.
- (g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Shareholders applying under this Issue should note that on the basis of name of the Shareholders, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the

Depository. Therefore, Shareholders applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Shareholders including mailing of the letters intimating unblocking of bank account of the respective Shareholders and/or refund. The Demographic Details given by the Shareholders in the Application Form would not be used for any other purposes by the Registrar. Hence, Shareholders are advised to update their Demographic Details as provided to their Depository Participants. **The Allotment Advice and the e-mail intimating unblocking of ASBA Account or refund (if any) would be e-mailed to the address of the Shareholders as per the e-mail address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Equity Shares are not allotted to such Shareholders. Please note that any such delay shall be at the sole risk of the Shareholders and none of our Company, the SCSBs, Registrar shall be liable to compensate the Shareholders for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Shareholders (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.**

- (h) By signing the Application Forms, Shareholders would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- (i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Shareholders must sign the Application as per the specimen signature recorded with the SCSB.
- (j) Shareholders should provide correct DP ID and Client ID/ Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ Folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Shareholders will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- (k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- (l) All communication in connection with Application for the Equity Shares, including any change in contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, Folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- (m) Shareholders are required to ensure that the number of Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- (n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (r) Do not submit multiple Applications.
- (s) No investment under the FDI route (i.e. any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered

under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.

- (t) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

➤ **Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- (c) Sending an Application to our Company, Registrar, Escrow Collection Bank(s) (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where a Shareholders submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Shareholders within the time periods prescribed in the Application Form and the Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Shareholders, as applicable.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand.
- (o) If a Shareholders is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Shareholders to subscribe to their Rights Entitlements.
- (p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and QPs) or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-U.S. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- (q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (r) Application from Shareholders that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).

Applications by non-resident Shareholders.

- (a) Payment from third party bank accounts.

➤ **Multiple Applications**

In case where multiple Applications are made using same demat account, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Shareholders and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “**Procedure for Applications by Mutual Funds**” mentioned below.

In cases where Multiple Application Forms are submitted, including cases where (a) a Shareholder submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by any of our Promoter or members of the Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in “Capital Structure - Intention and extent of participation by our Promoter” mentioned above.

➤ **Procedure for Applications by certain categories of Shareholders**

Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its Shareholders group (which means multiple entities registered as foreign portfolio Shareholders and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or Shareholders group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or Shareholders group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the Shareholders will also be required to comply with applicable reporting requirements.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iii) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

1. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and

2. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

No investment under the FDI route will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

No investment under the FDI route (i.e any investment which would result in the Shareholders holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the Shareholders to ensure that the necessary approval or the pre-existing approval from the government is valid in order to make any investment in the Issue. Our Company will not be responsible for any allotments made by relying on such approvals.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporate in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Shareholders”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Shareholders will also require prior approval of the Government of India and each Shareholders should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Shareholders shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificates from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

Last date for Application

The last date for submission of the duly filled in the Application Form or a plain paper Application is, [●], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in “Basis of Allotment” mentioned below.

Please note that on the Issue Closing Date, applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Shareholders can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

Withdrawal of Application

Shareholders who have applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Shareholders applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

Disposal of Application and Application Money

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received/ASBA Accounts of the Shareholders within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

➤ Rights Entitlements

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.kfintech.com) by entering their DP ID and Client ID or Folio Number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.accentmicrocell.com).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchanges after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. www.kfintech.com). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self- attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., by [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar account is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

➤ Renounees

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well

➤ Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favor of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer.

➤ Procedure for Renunciation of Rights Entitlements

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the “On Market Renunciation”); or (b) through an off-market transfer (the “Off Market Renunciation”), during the Renunciation Period. The Shareholders should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Shareholders may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Shareholders who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Shareholders on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Shareholders.

(a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. Trading of the Equity Shares of companies listed on SME Exchange will be in lots. The standardized lot size of securities of SME companies for the secondary market trading on SME Exchange vide SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. Further, the lot size is decided by exchange from time to time by giving prior notice to investors at large. The Right Shares are traded in dematerialized form only. The Right Entitlements allotted to the Eligible Equity Shareholders will be traded in lots only. The market lot for trading of Rights Entitlements will be decided by the Stock Exchange and will be marketable in such lots only. To clarify further, entitlements which does not form part of lots shall not be eligible for trading.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Shareholders holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN [●] and indicating the details of the Rights Entitlements they intend to trade.

The Shareholders can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

(b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

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

The Shareholders holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Shareholders can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through the ASBA facility, the Shareholders agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Shareholders' ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Shareholders in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

Mode of payment for Resident Shareholders

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

Mode of payment for Non-Resident Shareholders

As regards the Application by non-resident Shareholders, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.
2. Subject to the above, in case Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for additional Equity Shares.

VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE

The Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

➤ **Face Value**

Each Rights Equity Share will have the face value of ₹10.00.

➤ **Issue Price**

Each Rights Equity Share is being offered at a price of ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share). The Issue Price has been decided prior to the determination of the Record Date.

➤ **Rights Entitlement Ratio**

The Rights Securities are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of [●] Rights Equity Share for every [●] Equity Shares held by the Eligible Equity Shareholders as on the Record Date.

➤ **Fractional Entitlements**

The Rights Securities are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held as on the Record Date. As per SEBI Master Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Securities over and above their Rights Entitlements, if any, subject to availability of Rights Securities in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds [●] Equity Shares, such Equity Shareholder will be entitled to [●] Rights Equity Share and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Securities in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement for the Rights Securities. Such Eligible Equity Shareholders are entitled to apply for additional Rights Securities and will be given preference in the Allotment of one Rights Security, if such Eligible Equity Shareholders apply for additional Rights Securities, subject to availability of Rights Securities in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favor of third parties.

➤ **Renunciation of Rights Entitlements**

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat accounts either in full or in part. The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favor of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. The renunciation of Rights Entitlements credited in your demat account can be made

either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer. For details, see “*Procedure for Renunciation of Rights Entitlements*” in this Chapter.

The Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

➤ **Credit Rating**

As this Issue is a rights issue of Rights Equity Shares, there is no requirement of credit rating for this Issue.

➤ **Ranking**

The Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Equity Shares to be issued and Allotted under this Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

➤ **Listing and trading of the Equity Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on NSE. Unless otherwise permitted by the SEBI ICDR Regulations, the Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the NSE through letter bearing reference number [●] dated [●]. Our Company will apply to NSE for final approvals for the listing and trading of the Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Equity Shares or the price at which the Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on NSE (NSE Symbol: ACCENTMIC) under the ISIN: INE0Q5D01013. The Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Equity Shares shall be debited from such temporary ISIN and credited to the regular ISIN for the Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within four days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Equity Shares, and if any such money is not refunded/ unblocked within four days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

➤ **Subscription to this Issue by our Promoter and members of the Promoter Group**

For details of the intent and extent of subscription by our Promoter and members of the Promoter Group, see “*Capital Structure - Intention and extent of participation by our Promoter*” mentioned above.

➤ **Rights of Holders of Equity Shares of our Company**

Subject to applicable laws, Shareholders who have been Allotted Equity Shares pursuant to the Issue shall have the following rights:

- a. The right to receive dividend, if declared;
- b. The right to receive surplus on liquidation;
- c. The right to receive offers for rights shares and be allotted bonus shares, if announced;
- d. The right to free transferability of Equity Shares;
- e. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in the Letter of Offer; and
- f. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

➤ **Market Lot**

The Equity Shares of our Company shall be tradable only in dematerialized form. The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The Right Entitlements allotted to the Eligible Equity Shareholders will be traded in lots only. The market lot for trading of Rights Entitlements will be decided by the Stock Exchange and will be marketable in such lots only. To clarify further, entitlements which does not form part of lots may not be eligible for trading

➤ **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

➤ **Nomination**

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with the respective DPs of the Shareholders would prevail. Any Shareholders holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

➤ **Arrangements for Disposal of Odd Lots**

The Equity Shares of our Company are tradable only in dematerialized form. Trading of the Equity Shares of companies listed on SME Exchange will be in lots. The standardized lot size of securities of SME companies for the secondary market trading on SME Exchange vide SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. Further, the lot size is decided by exchange from time to time by giving prior notice to investors at large. The Right Shares are traded in dematerialized form only. The Right Entitlements allotted to the Eligible Equity Shareholders will be traded in lots only. The market lot for trading of Rights Entitlements will be decided by the Stock Exchange and will be marketable in such lots only. To clarify further, entitlements which does not form part of lots may not be eligible for trading.

➤ **Notices**

In accordance with the SEBI ICDR Regulations and the SEBI Relaxation Circulars, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation and one Hindi language national daily newspaper with wide circulation being the regional language of New Delhi, where our Registered Office is situated.

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

➤ **Offer to Non-Resident Eligible Equity Shareholders/Shareholders**

As per Rule 7 of the FEMA Rules, RBI has given general permission to Indian companies to issue Equity Shares to non-resident Equity Shareholders including additional Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for allotment of Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Shareholders has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at www.kfintech.com. It will be the sole responsibility of the Shareholders to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Equity Shares may be permitted under laws of such jurisdictions, Eligible Equity Shareholders can access the Letter Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, and the Stock Exchanges. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Equity Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of Shareholders and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Shareholders being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self- attested proof of address, passport, etc. at email id: aml.rights@kfintech.com.

ALLOTMENT OF THE EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” AS MENTIONED ABOVE.

VIII. ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENT	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS[#]	[●]
ISSUE CLOSING DATE*	[●]
FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF CREDIT (ON OR ABOUT)	[●]
DATE OF LISTING (ON OR ABOUT)	[●]

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

** Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●].

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Equity Shares in the following order of priority:

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Equity Shares renounced in their favour, in full or in part.

- b) Allotment to the Eligible Equity Shareholders who having applied for all the Equity Shares offered to them as part of this Issue, have also applied for additional Equity Shares. The Allotment of such additional Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- c) Allotment to Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Shareholders who have been allocated Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Allotment advice, refund intimations or demat credit of securities and/or letters of regret will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them; along with crediting the Allotted Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Shareholders who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

➤ **Mode of making refunds**

In case of Applicants not eligible to make an application through ASBA process, the payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

- a) Unblocking amounts blocked using ASBA facility.
- b) NACH – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“MICR”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- c) National Electronic Fund Transfer (“NEFT”) – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“IFSC Code”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- d) Direct Credit – Investors having bank accounts with the Banker to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- e) RTGS – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
- f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

➤ **Refund payment to non-residents**

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

➤ **Receipt of the Equity Shares in Dematerialized Form**

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

PLEASE NOTE THAT THE EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH SHAREHOLDERS ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.

Shareholders shall be allotted the Equity Shares in dematerialized (electronic) form. Our Company has signed an agreement dated September 18, 2000 with NSDL and an agreement dated September 07, 2000 with CDSL which enables the Shareholders to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

SHAREHOLDERS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the dematerialized form is as under:

- (i) Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Shareholders having various folios in our Company with different joint holders, the Shareholders will have to open separate accounts for such holdings. Those Shareholders who have already opened such beneficiary account(s) need not adhere to this step.
- (ii) It should be ensured that the depository account is in the name(s) of the Shareholders and the names are in the same order as in the records of our Company or the Depositories.
- (iii) The responsibility for correctness of information filled in the Application Form vis-a- vis such information with the Shareholders depository participant, would rest with the Shareholders. Shareholders' should ensure that the names of the Shareholders and the order in which they appear in Application Form should be the same as registered with the Shareholders' depository participant.
- (iv) If incomplete or incorrect beneficiary account details are given in the Application Form, the Shareholders will not get any Equity Shares and the Application Form will be rejected.
- (v) The Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by e-mail and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Applicant's depository account.
- (vi) Non-transferable Allotment advice/ refund intimation will be directly sent to the Shareholders by the Registrar, by e-mail and, if the printing is feasible, through physical dispatch.
- (vii) Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

XIII. IMPERSONATION

As a matter of abundant caution, attention of the Shareholders is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a

company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 0.1 crore or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 0.1 crore or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 0.5 crore or with both.

XIV. UTILISATION OF ISSUE PROCEEDS

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

XV. UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- (i) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- (ii) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment.
- (iii) The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- (iv) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Shareholders within 4 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- (v) No further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc
- (vi) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- (vii) Adequate arrangements shall be made to collect all ASBA Applications and to consider them similar to non- ASBA Applications while finalizing the Basis of Allotment.
- (viii) At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.
- (ix) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.
- (x) Our Company accepts full responsibility for the accuracy of information given in this Draft Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

XVI. SHAREHOLDERS GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS

- 1) Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
- 2) All enquiries in connection with the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “**ACCENT MICROCELL LIMITED – Rights Issue**” on the envelope and postmarked in India or in the e- mail) to the Registrar at the following address:

KFIN TECHNOLOGIES LIMITED
Selenium Tower-B, Plot 31 & 32, Gachibowli,
Financial District, Nanakramguda, Serilingampally,
Hyderabad – 500 032, Telangana
Tel No.: +91 40 6716 2222
Toll Free No.: 1800 309 4001
E-mail: aml.rights@kfintech.com
Investor Grievances Email Id: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: M Murli Krishna
SEBI Registration No.: INR000000221
- 3) In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders will be available on the website of the Registrar www.kfintech.com. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is Tel No.: +91 40 6716 2222; Toll Free No.: 1800 309 4001
- 4) The Shareholders can visit following links for the below-mentioned purposes:
 - a) Frequently asked questions and online/ electronic dedicated Shareholders helpdesk for guidance on the Application process and resolution of difficulties faced by the Shareholders: www.kfintech.com
 - b) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: www.kfintech.com
 - c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: www.kfintech.com
 - d) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders at email id at aml.rights@kfintech.com.

This Issue will remain open for a minimum 15 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“**FDI**”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“**DPIIT**”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“**FDI Circular 2017**”), by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis. The above information is given for the benefit of the Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

RESTRICTIONS ON PURCHASES AND REALES

General Eligibility and Restrictions

No action has been taken or will be taken to permit a public offering of the Rights Entitlements or the Issue Shares in any jurisdiction, or the possession, circulation, or distribution of this Draft Letter of Offer, its accompanying documents or any other material relating to our Company, the Rights Entitlements or the Equity Shares in any jurisdiction where action for such purpose is required, except that this Draft Letter of Offer will be filed with SEBI and the Stock Exchanges.

The Rights Entitlements and the Issue Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States.

The Rights Entitlements or the Equity Shares may not be offered or sold, directly or indirectly, and none of this Draft Letter of Offer, its accompanying documents or any offering materials or advertisements in connection with the Rights Entitlements or the Equity Shares may be distributed or published in or from any country or jurisdiction except in accordance with the legal requirements applicable in such jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Equity Shares, applying for excess Equity Shares or making any offer, sale, resale, pledge or other transfer of the Rights Entitlements or the Equity Shares.

This Draft Letter of Offer and its accompanying documents will be supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Equity Shares, or who purchases the Rights Entitlements, or Equity Shares shall do so in accordance with the restrictions in their respective jurisdictions.

SECTION VIII – STATUTORY AND OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialized form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder holding Equity Shares in physical form as on the Record Date.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following are the copies of contracts which have been entered or are otherwise proposed to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material. Copies of the documents for inspection referred to hereunder, would be available on the website of the Company at www.accentmicrocell.com from the date of this Draft Letter of Offer until the Issue Closing Date.

I. Material Contracts for the Issue

- i. Registrar Agreement dated November 21, 2024 entered into amongst our Company and the Registrar to the Issue;
- ii. Escrow Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue/ Refund Bank.

II. Material Documents

- i. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time.
- ii. Certificate of incorporation dated April 10, 2012 issued by the Registrar, Gujarat, Dadra and Nagar Haveli
- iii. Fresh Certificate of incorporation dated December 23, 2022 consequent upon conversion from Private to Public Limited.
- iv. Annual Reports of the Company for the past five years.
- v. Copy of Prospectus dated December 12, 2023.
- vi. Resolution of the Board of Directors dated October 29, 2024 in relation to the Issue.
- vii. Resolution of the Committee of the Board of Directors dated December 24, 2024 in relation to approving and adopting the Draft Letter of Offer.
- viii. Resolution of the Board of Directors dated [●] in relation to approving the quantum of issue, issue price and ratio of rights entitlement
- ix. Resolution of our Board dated [●], finalizing the terms of the Issue and Record Date.
- x. Resolution of the Board dated [●] approving and adopting the Letter of Offer
- xi. The examination report of our Statutory Auditors on our Restated Financial Statements included in the Draft Letter of Offer/Letter of Offer.
- xii. Consent of our Directors, Chief Financial Officer, Statutory Auditor, Legal Advisor, the Registrar to the Issue, Banker to the Company, Banker to the Issue/ Refund Bank* for inclusion of their names in the Draft Letter of Offer/Letter of Offer in their respective capacities.
**To be obtained at the time of filing of the Letter of Offer.*
- xiii. Statement of Tax Benefits dated November 20, 2024 from the Statutory Auditor included in the Draft Letter of Offer/Letter of Offer.
- xiv. Tripartite Agreement dated July 10, 2023 between our Company, NSDL and the Registrar to the Issue.
- xv. Tripartite Agreement dated June 09, 2023 between our Company, CSDL and the Registrar to the Issue.
- xvi. In-principle listing approvals each dated [●] from NSE.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- <hr/> (GHANSHYAM ARJANBHAI PATEL) Managing Director & Chief Financial Officer DIN: 05225398	Sd/- <hr/> (VASANT VADILAL PATEL) Whole Time Director DIN: 05225561
Sd/- <hr/> (NITIN JASVANTBHAI PATEL) Whole Time Director DIN: 05225550	Sd/- <hr/> (VINODBHAI MANIBHAI PATEL) Whole Time Director DIN: 07698117
Sd/- <hr/> (RAJATKUMAR DINESHBHAI PATEL) Independent Director DIN: 09124295	Sd/- <hr/> (CHINTAN UMESHBHAI BHATT) Independent Director DIN: 09289074
Sd/- <hr/> (SHREYABEN MILANKUMAR SHAH) Woman Independent Director PAN: 09726000	
Date: December 24, 2024 Place: Ahmedabad	