



(Scan the QR code to view the Basis of Allotment)



PATEL CHEM SPECIALITIES LIMITED

Corporate Identification Number: U24100GJ2008PLC054305

Our Company was incorporated as a private limited company under the Companies Act, 1956 in the name and style of "Patel Chem Specialities Private Limited" bearing Certificate of Incorporation Number U24100GJ2008PTC054305 issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, dated June 25, 2008. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on July 4, 2024 and the name of our Company changed from "Patel Chem Specialities Private Limited" to "Patel Chem Specialities Limited" and Registrar of Companies, Central Processing Centre issued a new certificate of incorporation consequent upon conversion dated August 25, 2024. Currently, the Corporate Identity Number of our Company is U24100GJ2008PLC054305. For further details please refer to chapter titled "History and Corporate Structure" beginning on page 174 of the Prospectus.

Registered Office: Plot No. 272/4-5, Phase II, G.I.D.C Industrial Estate, Vatva Road, Ahmedabad - 382445, Gujarat, India. Tel: +91-9712999854, Fax: N.A., Website: www.patechem.com, E-mail: cs@patechem.com Contact Person: Sonakumari Yadav, Company Secretary and Compliance Officer

PROMOTERS OF OUR COMPANY: BHUPESH PATEL, ANSHU PATEL AND VINI PATEL

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI ICDR REGULATIONS (IPO OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF BSE LIMITED ("BSE SME")

BASIS OF ALLOTMENT

INITIAL PUBLIC ISSUE 70,00,000 EQUITY SHARES OF ₹ 10/- EACH ("EQUITY SHARES") OF PATEL CHEM SPECIALITIES LIMITED ("PATEL CHEM" OR "PCSL" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ 84/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ 5,880.00 LAKHS ("THE ISSUE"). OUT OF THE ISSUE, 3,53,600 EQUITY SHARES AGGREGATING TO ₹ 297.02 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 66,46,400 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT AN ISSUE PRICE OF ₹ 84/- PER EQUITY SHARE AGGREGATING TO ₹ 5,582.98 LAKHS IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.15% AND 26.72%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

FOR FURTHER DETAILS, KINDLY REFER TO THE CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 236 OF THE PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 EACH AND THE ISSUE PRICE IS ₹ 84/-

ANCHOR INVESTOR ISSUE PRICE: ₹ 84/- PER EQUITY SHARE THE ISSUE PRICE IS 8.4 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

ISSUE PERIOD
BID/ISSUE OPENED ON: FRIDAY, JULY 25, 2025
BID/ISSUE CLOSED ON: TUESDAY, JULY 29, 2025

Commencement of Trading of Equity Shares on the Stock Exchanges/Listing Date (T + 3 Days)
ON OR ABOUT, FRIDAY, AUGUST 1, 2025*
 *Subject to the receipt of listing and trading approval from BSE SME.

RISK TO INVESTORS

- We do not have long-term agreements with our suppliers for raw materials and an inability to procure the desired quality, quantity of our raw materials in a timely manner and at reasonable costs, or at all, may have a negative impact on our business, results of operations, financial condition and cash flows.
 - 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.
 - Majority of our domestic purchases and imports for the last 3 Financial Years is dependent on a few states and single country. Any loss of business from any of these states and country may adversely affect our ability to procure our raw materials in time to meet our customers needs.
 - Majority of our domestic sales for the last 3 Financial Years is dependent on few states. Any loss of business from any of these states may adversely affect our revenues and profitability.
 - The restated financial statements have been provided by peer reviewed auditor who is not statutory auditor of our Company.
- A. Cumulative Capital Private Limited has handled 2 public issues in the past three years and none of the issues closed below the issue price on listing date and Unistone Capital Private Limited has handled 22 public issues in the past three years, out of which 3 issues closed below the issue price on listing date.

Name of BRLMs	Number of Issues handled		Issue closed below Issue price on listing date	
	Mainboard	SME Platform	Mainboard	SME Platform
Cumulative Capital Private Limited	-	2	-	-
Unistone Capital Private Limited	9	13	-	3

B. The average cost of acquisition per equity share by our Promoters in set forth in the table below:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
Bhupesh Patel	1,51,28,980	0.12
Anshu Patel	14,96,000	0.19
Vini Patel	1,70,000	5.29

*As certified by M/s Ashok Rajpara & Co., Chartered Accountants, by their certificate dated May 20, 2025.

C. Weighted Average Cost of Acquisition for all the Equity Shares transacted in one year, eighteen months and three years preceding the date of the Prospectus by all the shareholders:

Period	Weighted Average Cost of Acquisition (in ₹) (*)	Upper end of the price band (₹ 84 is X times the Weighted Average Cost of Acquisition)	Range of acquisition price: Lowest price - Highest price (in ₹)
Last 1 year	61.00	1.38	61-61
Last 18 months	3.15	26.67	0-1000
Last 3 years	3.20	26.25	0-1000

*As certified by M/s Ashok Rajpara & Co., Chartered Accountants, by their certificate dated July 17, 2025.

D. The Price/Earnings ratio based on diluted EPS for fiscal 2025 for our Company at the upper end of the price band (i.e. ₹ 84 per Equity share) is 13.77 times.

E. Weighted Average Return on Net Worth for fiscals 2025, 2024 and 2023 is 32.05%.

F. Weighted average cost of acquisition compared to floor price and cap price:

Past Transactions	Weighted average cost of acquisition (%)	Floor Price ₹ 82	Cap Price ₹ 84
Weighted average cost of acquisition (WACA) of Primary issuances	61.00	1.34 times	1.38 times
Weighted average cost of acquisition (WACA) of secondary transactions	NA	NA	NA
Weighted average cost of acquisition (WACA) of last 5 secondary transactions	5.61	14.62 times	14.97 times

PROPOSED LISTING: FRIDAY, AUGUST 1, 2025*

*Subject to the receipt of listing and trading approval from BSE SME.

The issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of SEBI (ICDR) Regulations, wherein not more than 50.00% of the Net Issue was made available for allocation on a proportionate basis to QIBs ("QIB Portion"). Further, not less than 15.00% of Net Issue was made available for allocation on proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue was made available for allocation to Individual Bidders, in accordance with SEBI ICDR Regulations, subject to valid bids being received at the issue price. All potential Bidders are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of individual Bidders using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the issue through the ASBA process. For details, see "Issue Procedure" beginning on page 249 of the Prospectus.

The Equity Shares offered through the Prospectus are proposed to be listed on SME Platform of BSE Limited ("BSE SME") in terms of Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI (ICDR) regulations"), as amended read with rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended. Our Company has received in Principle approval letter dated April 7, 2025, from BSE Limited ("BSE") for using its name in the issue Document for listing of our shares on SME Platform of BSE. It is to be distinctively understood that the permission given by BSE Limited ("BSE") should not in any way be deemed or construed that the content of the Prospectus or the price at which equity shares are offered has been cleared, solicited or approved by BSE, nor does it certify the correctness, accuracy or completeness of any of the content of the Prospectus. The investors are advised to refer to the prospectus for the full text of the Disclaimer clause pertaining to BSE. For the purpose of this issue, the Designated Stock Exchange will be SME Platform of BSE Limited ("BSE"). The trading is proposed to commence on August 1, 2025.

*Subject to the listing and trading approval from SME Platform of BSE Limited.

All applicants were allowed to participate in the issue through APPLICATION SUPPORTED BY BLOCKED AMOUNT ("ASBA") process by providing the details of the respective bank accounts in which the corresponding application amounts were blocked by Self Certified Syndicate Banks (the "SCSBs") or through UPI Mechanism.

The bidding for Anchor Investors was opened and closed on Thursday, July 24, 2025. The Company received 13 Anchor Investor Application for 36,67,205 Equity Shares. The Anchor Investor Allocation price was finalized at ₹ 84/- per equity share. A total of 19,87,200 Equity Shares were allocated under the Anchor Investor Portion, aggregating to ₹ 16,69,24,800/-.

The issue has received 1,52,717 valid applications for 78,36,46,400 equity shares, excluding Anchor Investors, resulting in subscription of 156.33 times (including reserved portion of Market Maker). The details of the applications received in the issue from various categories are as under:

Sl. No.	Category	No. of application	No. of shares	Reserved	No. of times subscription	Amount
1.	Market maker	1	3,53,600	3,53,600	1.00	2,97,02,400
2.	QIB (excluding Anchor Investor Portion)	56	13,96,35,200	13,28,000	105.15	11,15,52,000
3.	Non-Institutional Investors 1 (More than 2 lots to ₹ 1,00,000/-)	13,592	6,87,24,800	3,31,200	207.50	2,78,20,800
4.	Non-Institutional Investors 2 (More than 1,000,000/-)	11,925	16,80,75,200	6,67,200	251.91	5,60,44,800
5.	Individual Investor	1,27,143	40,68,57,600	23,32,800	174.41	19,59,55,200
	TOTAL	1,52,717	78,36,46,400	60,12,800	156.33	42,10,76,200

Final Demand:
 The summary of final demand as per BSE as on Bid closing date at different bid prices are provided below:

Sl. No.	Bid	Shares	% to Total	Cumulative Total	Cumulative % to Total
1.	82	14,46,400	0.16	14,46,400	0.16
2.	83	10,72,000	0.12	25,18,400	0.28
3.	84	91,04,17,600	99.72	91,29,36,000	100.00
	TOTAL	91,29,36,000	100.00		

The Basis of Allotment was finalized in consultation with the Designated Stock Exchange, being BSE SME on July 30, 2025. A. Allocation to Market Maker (After Rejections & Withdrawal): The Basis of Allotment to the Market Maker, at the issue price of ₹ 84/- per Equity Share, was finalized in consultation with BRLMs and Stock Exchange. The category was subscribed by 1.00 time. The total number of shares allotted in this category is 3,53,600 Equity shares. The details of the Basis of Allotment of the said category are as under:

No. of Shares applied	Number of applications received	% to Total	Total No. of Shares applied	% to Total	Ratio of allottees to applicants	Number of Successful applicants (after rounding off)	% to Total	Total No. of Shares allocated/allotted	% to Total
3,53,600	1	100.00	3,53,600	100.00	1:1	1	100.00	3,53,600	100.00
Total	1	100.00	3,53,600	100.00		1	100.00	3,53,600	100.00

B. Allocation to Individual Investors (After Rejections & Withdrawal): The Basis of Allotment to the Individual Investors, at the issue price of ₹ 84/- per Equity Share, was finalized in consultation with BRLMs and Stock Exchange. The category was subscribed 174.41 times i.e. for 40,68,57,600 Equity Shares. The total number of shares allotted in this category is 23,32,800 Equity Shares to 729 successful applicants. The details of the Basis of Allotment of the said category are as under:

Sl. No.	No. of Shares applied Category wise	No. of Applications Received	% to Total	Total No. of Equity Shares Applied	% to Total	No. of Equity Shares Allotted per Bidder	Ratio	Total No. of Equity Shares Allotted
1	3,200	1,27,143	100.00	40,68,57,600	100.00	3200	3:523	23,32,800
	TOTAL	1,27,143	100.00	40,68,57,600	100.00			23,32,800

C. Allocation to NII category (More than 2 lots to 1,000,000/-) (After Rejections & Withdrawal): The Basis of Allotment to NII category (More than 2 lots to 1,000,000/-), at the issue price of ₹ 84/- per Equity Share, was finalized in consultation with BRLMs and Stock Exchange. The category was subscribed by 207.50 times i.e. application received for 6,87,24,800 equity shares & the total number of shares allotted in this category is 3,31,200 Equity Shares to 69 successful applicants. The details of the Basis of Allotment of the said category are as under:

Sl. No.	No. of Shares applied Category wise	No. of Applications Received	% to Total	Total No. of Equity Shares Applied	% to Total	No. of Equity Shares Allotted per Bidder	Ratio	Total No. of Equity Shares Allotted
1	4,800	12523	92.14	6,01,10,400	87.47	4,800	63:12523	3,02,400
2	6,400	551	4.05	35,26,400	5.13	4,800	3:551	14,400
3	8,000	159	1.17	12,72,000	1.85	4,800	1:159	4,800
4	9,600	128	0.94	12,28,800	1.79	4,800	1:128	4,800
5	11,200	231	1.70	25,87,200	3.76	4,800	1:231	4,800
	TOTAL	13592	100.00	6,87,24,800	100.00			3,31,200

D. Allocation to NII category (above Rs. 1,000,000/-) (After Rejections & Withdrawal): The Basis of Allotment to NII category (above Rs. 1,000,000/-), at the issue price of ₹ 84/- per Equity Share, was finalized in consultation with BRLMs and Stock Exchange. The category was subscribed by 251.91 times i.e. application received for 16,80,75,200 equity shares & the total number of shares allotted in this category is 6,67,200 Equity Shares to 139 successful applicants. The details of the Basis of Allotment of the said category are as under:

Sl. No.	No. of Shares applied Category wise	No. of Applications Received	% to Total	Total No. of Equity Shares Applied	% to Total	No. of Equity Shares Allotted per Bidder	Ratio	Total No. of Equity Shares Allotted
1.	12,800	11298	94.74	14,46,14,400	86.04	4,800	132:11298	6,33,600
2.	14,400	153	1.28	22,03,200	1.31	4,800	2:153	9,600
3.	16,000	156	1.31	24,96,000	1.49	4,800	2:156	9,600
4.	17,600	35	0.29	6,16,000	0.37	4,800	0:35	0
5.	19,200	29	0.24	5,56,800	0.33	4,800	0:29	0
6.	20,800	23	0.19	4,78,400	0.28	4,800	0:23	0
7.	22,400	7	0.06	1,56,800	0.09	4,800	0:7	0
8.	24,000	36	0.30	8,64,000	0.51	4,800	0:36	0
9.	25,600	16	0.13	4,09,600	0.24	4,800	0:16	0
10.	27,200	2	0.02	54,400	0.03	4,800	0:2	0
11.	28,800	13	0.11	3,74,400	0.22	4,800	0:13	0
12.	30,400	6	0.05	1,82,400	0.11	4,800	0:6	0
13.	32,000	18	0.15	5,76,000	0.34	4,800	0:18	0
14.	33,600	2	0.02	67,200	0.04	4,800	0:2	0
15.	35,200	4	0.03	1,40,800	0.08	4,800	0:4	0
16.	36,800	2	0.02	73,600	0.04	4,800	0:2	0
17.	38,400	15	0.13	5,76,000	0.34	4,800	0:15	0
18.	40,000	1	0.01	40,000	0.02	4,800	0:1	0
19.	41,600	1	0.01	41,600	0.02	4,800	0:1	0
20.	43,200	2	0.02	86,400	0.05	4,800	0:2	0
21.	44,800	1	0.01	44,800	0.03	4,800	0:1	0
22.	46,400	2	0.02	92,800	0.06	4,800	0:2	0
23.	48,000	8	0.07	3,84,000	0.23	4,800	0:8	0
24.	49,600	1	0.01	49,600	0.03	4,800	0:1	0
25.	51,200	5	0.04	2,56,000	0.15	4,800	0:5	0
26.	52,800	1	0.01	52,800	0.03	4,800	0:1	0
27.	54,400	1	0.01	54,400	0.03	4,800	0:1	0
28.	56,000	1	0.01	56,000	0.03	4,800	0:1	0
29.	57,600	1	0.01	57,600	0.03	4,800	0:1	0
30.	59,200	3	0.03	1,77,600	0.11	4,800	0:3	0
31.	60,800	7	0.06	4,25,600	0.25	4,800	0:7	0
32.	62,400	8	0.07	5,12,000	0.30	4,800	0:8	0
33.	64,000	1	0.01	64,000	0.04	4,800	0:1	0
34.	65,600	1	0.01	65,600	0.04	4,800	0:1	0
35.	67,200	1	0.01	72,000	0.04	4,800	0:1	0
36.	68,800	1	0.01	73,600	0.04	4,800	0:1	0
37.	70,400	3	0.03	2,30,400	0.14	4,800	0:3	0
38.	72,000	2	0.02	1,60,000	0.10	4,800	0:2	0
39.	73,600	1	0.01	81,600	0.05	4,800	0:1	0
40.	75,200	1	0.01	84,800	0.05	4,800	0:1	0
41.	76,800	1	0.01	86,400	0.05	4,800	0:1	0
42.	78,400							



(Please scan this QR code to view the RHP)



PATEL CHEM SPECIALITIES LIMITED

Our Company was incorporated as a private limited company under the Companies Act, 1956 in the name and style of "Patel Chem Specialities Private Limited" bearing Certificate of Incorporation Number U24100GJ2008PT054305 issued by the Registrar of Companies, Gujarat, Dabra and Nagar Havelli, dated June 25, 2008. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on July 4, 2024 and the name of our Company changed from "Patel Chem Specialities Private Limited" to "Patel Chem Specialities Limited" and Registrar of Companies, Central Processing Centre issued a new certificate of incorporation consequent upon conversion dated August 29, 2024. As on date of the Red Herring Prospectus, the Corporate Identity Number of our Company is U24100GJ2008PL054305. For further details of incorporation please refer to section titled "Our History and Certain Other Corporate Matters" beginning on page 173 of the Red Herring Prospectus.

Registered Office: Plot No. 272/4-5, Phase II, G.I.D.C Industrial Estate, Vatva Road, Ahmedabad - 382445, Gujarat, India Contact Person: Sonalkumari Yadav, Company Secretary and Compliance Officer. Tel: +91- 9712999854, E-mail: cs@patelchem.com ; Website: www.patelchem.com ; Corporate Identity Number: U24100GJ2008PL054305

OUR PROMOTERS: BHUPESH PATEL, ANSHU PATEL AND VINI PATEL

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI ICDR REGULATIONS (IPO OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF BSE LIMITED ("BSE SME")

THE ISSUE

INITIAL PUBLIC ISSUE OF UP TO 70,00,000* EQUITY SHARES OF ₹ 10/- EACH ("EQUITY SHARES") OF PATEL CHEM SPECIALITIES LIMITED ("PATEL CHEM" OR "PCSL" OR THE "COMPANY") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ [•] LAKHS (THE "ISSUE"), OUT OF THE ISSUE, 3,53,600 EQUITY SHARES AGGREGATING TO ₹ [•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF 66,46,400 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT AN ISSUE PRICE OF ₹ [•] PER EQUITY SHARE AGGREGATING TO ₹ [•] LAKHS IS HEREAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.15% AND 26.72%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION - NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES. Our Company operates in the field of specialty chemicals, particularly focusing on the production of cellulose-based excipients. We manufacture a diverse range of products that are critical to various industries, including pharmaceuticals, food & beverages, cosmetics, and numerous industrial applications. These chemicals are fundamental in the formulation of essential products such as tablets, food additives, personal care items, and industrial formulations. Our products play vital roles as binders, disintegrants, thickeners, stabilizers, and gelling agents, each serving a specialized function across multiple sectors.

The Issue is being made in accordance with regulation 229(2) of the SEBI ICDR regulations QIB CATEGORY: NOT MORE THAN 50% OF THE NET ISSUE NON-INSTITUTIONAL INVESTOR CATEGORY: NOT LESS THAN 15% OF THE NET ISSUE INDIVIDUAL CATEGORY: NOT LESS THAN 35% OF THE NET ISSUE MARKET MAKER PORTION: UPTO 3,53,600 EQUITY SHARES OR 5.05% OF THE ISSUE.

PRICE BAND: ₹ 82 TO ₹ 84 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH.

THE FLOOR PRICE 8.20 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 8.40 TIMES OF THE FACE VALUE. BIDS CAN BE MADE FOR A MINIMUM OF TWO LOT AND IN MULTIPLES OF 1,600 EQUITY SHARES THEREAFTER. THE PRICE TO EARNING RATIO BASED ON DILUTED EPS FOR FISCAL 2024-2025 AT THE FLOOR PRICE IS 13.44 TIMES AND AT THE CAP PRICE IS 13.77 TIMES

ANCHOR INVESTOR BIDDING DATE: THURSDAY, JULY 24, 2025*

BID/ISSUE OPENS ON: FRIDAY JULY 25, 2025 | BID/ISSUE CLOSES ON**: TUESDAY JULY 29, 2025***

*Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date. **Our Company, in consultation with the BRLMs, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI (ICDR) Regulations. ***The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.

RISKS TO INVESTORS:

IN MAKING AN INVESTMENT DECISION, POTENTIAL INVESTORS MUST ONLY RELY ON THE INFORMATION INCLUDED IN THE RED HERRING PROSPECTUS AND THE TERMS OF THE ISSUE, INCLUDING THE RISKS INVOLVED AND NOT RELY ON ANY OTHER EXTERNAL SOURCES OF INFORMATION ABOUT THE ISSUE AVAILABLE IN ANY MANNER.

In accordance with the recommendation of the Independent Directors of our Company, pursuant to their resolution dated May 20, 2025 the above price band is justified based on quantitative factors/ KPIs disclosed in the "Basis for Issue Price" section beginning on page 97 of the Red Herring Prospectus vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in the "Basis for Issue Price" section beginning on the page 97 of the Red Herring Prospectus and provided below in the advertisement.

- i. Risk to investors summary description of key risk factors based on materiality:
- We do not have long-term agreements with our suppliers for raw materials and an ability to procure the desired quality, quantity of our raw materials in a timely manner and at reasonable costs, or at all, may have a negative impact on our business, results of operations, financial condition and cash flows.
- 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.
- Majority of our domestic purchases and imports for the last 3 Financial Years is dependent on few states and single country. Any loss of business from any of these states and country may adversely affect our ability to procure our raw materials in time to meet our customers needs.
- Majority of our domestic sales for the last 3 Financial Years is dependent on few states. Any loss of business from any of these states may adversely affect our revenues and profitability.
- The restated financial statements have been provided by peer reviewed auditor who is not statutory auditor of our Company.

ii. Details of suitable ratios for the company for the last full financial year:

Name of the Company	For the year ended March 31, 2025						
	Face value (₹)	Revenue from operations (₹ in Lakhs)(1)	Basic EPS	Diluted EPS	P/E (based on Diluted EPS)	Return on net worth (%)	NAV per Equity Share (₹)
Patel Chem Specialities Limited	10	10,508.78	6.10	6.10	[•]	29.85	20.44
Peer Group							
Accent Microcell Limited	10	26,457.69	15.71	15.71	16.26	16.97	92.57
Sigachi Industries Limited	1	48,823.83	2.06	2.06	20.51	11.73	15.72

Source: All the financial information for listed industry peers mentioned above is on a Consolidated basis sourced from the Annual Reports of the peer company or their financial results uploaded on the NSE website for the year ended March 31, 2025.

- 1. P/E Ratio has been computed based on the closing market price of equity shares on the NSE on July 09, 2025 divided by the Diluted EPS of March 31, 2025.
2. RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.
3. NAV is computed as the closing net worth divided by the weighted average number of equity shares.
iv. Weighted Average Return on Net Worth for Financial Year ending 2025, 2024 and 2023 is 32.05%.

Period	Weighted Average Cost of Acquisition (in ₹)#	Upper end of the Price band (₹ 84) is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price - Highest Price (in ₹)
Last 1 year	61.00	1.38	61-61
Last 18 months	3.15	26.67	0-1000
Last 3 years	3.20	26.25	0-1000

#As certified by M/s Ashok Rajpara & Co., by way of their certificate dated July 17, 2025.

v. Disclosures as per clause 97 (K) (4) of Part A to Schedule VI of SEBI (ICDR) Regulations, 2018:

- The price per share of our Company based on the primary / new issue of shares (equity / convertible securities)
The details of Issuance of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and Issuance of bonus shares, during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days is as follows:

There have been following issuance of Equity Shares which is equal to or more than 5% of the fully diluted paid-up share capital of the Company during the 18 months preceding the date of the Red Herring Prospectus

Date of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ Lakhs)
November 18, 2024	8,70,000	10	61	Preferential Allotment	Cash	5,30,70,000

Weighted average cost of acquisition (WACA) 61.00

- The price per share of our Company based on secondary sale/ acquisitions of shares (equity / convertible securities)
There have been no secondary sale/ acquisitions of Equity Shares, where the Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)) and excluding employee stock options granted but not vested, in a single transaction or multiple transactions combined together over a span of rolling 30 days. ("Secondary Transactions").

Based on the disclosures in (a) and (b) above, the weighted average cost of acquisition of Equity Shares as compared with the Floor Price and Cap Price is set forth below:

Part Transactions	Weighted average cost of acquisition (₹)	Floor Price ₹ 82	Cap Price ₹ 84
Weighted average cost of acquisition (WACA) of Primary issuances	61.00	1.34	1.88
Weighted average cost of acquisition (WACA) of secondary transactions	NA	NA	NA
Weighted average cost of acquisition (WACA) of last 5 secondary transactions	5.61	14.62	14.97

- Justification for Basis of Issue Price
Explanation for Issue Price / Cap Price being [•] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's KPIs and financial ratios for the year ended on March 31, 2025, March 31, 2024, and March 31, 2023.

[•] To be included upon finalization of Issue Price

- The Issue Price is [•] times of the Face Value of the Equity Shares.

The Issue Price of [•] has been determined by our Company in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Position and Results of Operations" and "Financial Information" on pages 28, 133, 205 and 200, respectively of the Red Herring Prospectus to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" and you may lose all or part of your investments.

ADDITIONAL INFORMATION FOR INVESTORS

Details of proposed / undertaken pre-issue placements from the DRHP filing date: Our Company has not undertaken any Pre-IPO Placements from the DRHP filing date.

Transaction of shares aggregating up to 1% or more of the paid-up equity share capital of the company by promoter(s) and promoter group(s) from the DRHP filing date: Our promoter(s) and promoter group(s) has not undertaken any transaction of shares aggregating up to 1% or more of the paid-up equity share capital of the company from the DRHP filing date.

Shareholding of the Promoter/Promoter Group and Additional Top 10 Shareholders of the Company:

St. No.	Shareholders	Pre-Issue Shareholding as at the Date of Red Herring Prospectus		Post-Issue Shareholding as at Allotment(3)			
		Number of Equity Shares (2)	Shareholding (in %)(2)	At the lower end of the price band (₹ 82)	At the upper end of the price band (₹ 84)		
				Number of Equity Shares#	Share Holding (in %)#	Number of Equity Shares#	Share Holding (in %)#
Promoter							
1.	Bhupesh Patel	1,51,28,980	84.66%	1,51,28,980	62.10%	1,51,28,980	62.10%
2.	Anshu Patel	14,96,000	8.37%	14,96,000	6.14%	14,96,000	6.14%
3.	Vini Patel	1,70,000	0.95%	1,70,000	0.70%	1,70,000	0.70%
Promoter Group*							
4.	Bhupesh Patel HUF	2,04,000	1.14%	2,04,000	0.84%	2,04,000	0.84%
5.	Neha Patwari	1,200	0.01%	1,200	Negligible	1,200	Negligible
Additional Top 10 Shareholders							
6.	Milan Natvarlal Bhayani	1,00,800	0.55%	1,00,800	0.41%	1,00,800	0.41%
7.	Raj Milan Bhayani	50,400	0.28%	50,400	0.21%	50,400	0.21%
8.	K Prakashchand	40,800	0.23%	40,800	0.17%	40,800	0.17%
9.	Tarun Ratilal Dobariya	33,600	0.19%	33,600	0.14%	33,600	0.14%
10.	Mitesh Lavijibhai Chikhalia	25,200	0.14%	25,200	0.10%	25,200	0.10%
11.	Sanjiv Rajnikant Kharadia	25,200	0.14%	25,200	0.10%	25,200	0.10%
12.	Jayantilal Manilal Patel	24,000	0.13%	24,000	0.10%	24,000	0.10%

	13.	14.	15.	Total
Krupa Dhavalbhai Shah	21,600	21,600	20,400	1,73,63,780
Dhaval Mahendrabhai Shah	21,600	21,600	20,400	1,73,63,780
Anirudh Inani	20,400	20,400	20,400	1,73,63,780
Total	1,73,63,780	1,73,63,780	1,73,63,780	1,73,63,780

- Notes:
(1) The Promoter Group shareholders are Bhupesh Patel HUF and Neha Patwari.
(2) Includes any transfers of equity shares by existing shareholders as on pre-issue and price band advertisement and there is no any outstanding options that have been exercised until date of pre-issue and price band advertisement.
(3) Based on the issue price of ₹ [•] and subject to finalization of the basis of allotment.
Investors should read the RHP carefully, including the "Risk Factors" on page 28 of the RHP before making any investment decision.

BASIS FOR ISSUE PRICE
The "Basis of Issue Price" on page 97 of the Red Herring Prospectus has been updated with the above price band. Please refer to the website of the BRLM i.e. www.cumulativecapitalgroup for the "Basis of Issue Price" updated with the above price band or scan the QR code for the "Basis of Issue Price" updated with above price band.

INDICATIVE TIMELINES FOR THE ISSUE

Activity	Time (IST)
Submission and revision of Bids	Only between 10.00 a.m. and 5.00 p.m.
Bid/Issue Closing Date*	
Submission Mode	Time (IST)
Electronic Applications (Online ASBA through 3-in-1 accounts) - For Individual Investors, other than QIBs and Non-Institutional Investors	Only between 10.00 a.m. and up to 4.00 p.m.
Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile banking and Syndicate UPI ASBA applications)	Only between 10.00 a.m. and up to 5.00 p.m.
Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m.
Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m.
Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and Non-Institutional Investors)	Only between 10.00 a.m. and up to 12.00 p.m.

Category	Time (IST)
Upward revision of Bids by QIBs and Non-Institutional Investors category#	Only between 10.00 a.m. on the Bid/Issue Opening Date and up to 4.00 p.m. IST on Bid/Issue Closing Date
Upward revision of Bids by Individual Investors#	Only between 10.00 a.m. and up to 5.00 p.m. on Bid/Issue Closing Date

*UPI mandate end time was at 5:00 p.m. on the Bid/Issue Closing Date. # Individual Investors, QIBs and Non-Institutional Bidders could neither revise their bids downwards nor cancel/withdraw their Bids.

- On the Bid/Issue Closing Date, the Bids shall be uploaded until:
i. Until 4.00 p.m. IST in case of application by QIBs and Non - Institutional Investors and
ii. Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Individual Investors which may be extended up to such time as deemed fit by the Stock Exchange after taking into account the total number of applications received up to the closure of firmings and reported by Book Running Lead Managers to the Stock Exchange.

Events	Indicative Dates
Bid/Issue Opening Date**	Friday, July 25, 2025
Bid/Issue Closing Date**^	Tuesday, July 29, 2025
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Wednesday, July 30, 2025
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account*	On or before Thursday, July 31, 2025
Credit of Equity Shares to Demat accounts of Allottees	On or before Thursday, July 31, 2025
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Friday, August 01, 2025

*The Company may, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

**Our Company may in consultation with the BRLMs, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI (ICDR) Regulations. ^ UPI mandate end time and date shall be at 5:00 pm on the Bid/Issue Closing Date.

#In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding Two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "History and Corporate Structure" on page 173 of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the issue. For further details, see the section "Material Contracts and Documents for Inspection" on page 290 of the RHP.

LIABILITY OF MEMBERS OF THE COMPANY: Limited by shares.

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The authorized share capital of the Company is ₹ 25,00,00,000 divided into 2,50,00,000 Equity Shares of ₹ 10 each. The Offered, subscribed, and paid-up share capital of the Company before the Issue is ₹ 17,87,00,000 divided into 1,78,70,000 Equity Shares of ₹ 10 each. For details of the Capital Structure, see chapter titled "Capital Structure" beginning on page 67 of the RHP.

NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: Given below are the names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed by them at the time of signing of the Memorandum of Association of our Company: Bhupesh Patel (5,000 Equity Shares) and Vahalabhai Patel (5,000 Equity Shares) of ₹10 each.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): Since the Issue is being made in terms of chapter IX of the SEBI (ICDR) Regulations, 2018, the Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Issue Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 225 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF BSE ("BSE SME") (THE DESIGNATED STOCK EXCHANGE): It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the contents of the Issue Document or the price at which the equity shares are offered has been cleared, solicited or approved by BSE nor does it certify the correctness or completeness of any of the contents of the Issue Document. The investors are advised to refer to page 229 of the RHP for the full text of the Disclaimer Clause of BSE.

CREDIT RATING: This being the issue of Equity Shares, no credit rating is required.

DEBENTURE TRUSTEE: This being the issue of Equity Shares, the appointment of Trustees is not required.

IPO GRADING: Since this issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading Agency.

TRACK RECORD OF BOOK RUNNING LEAD MANAGERS:

Name of the BRLMs	Total Issues*	
	Main Board	SME
Cumulative Capital Private Limited	-	2
Unistone Capital Private Limited	4	6

*Total issues of both the BRLMs mentioned here are as per Red Herring Prospectus. GENERAL RISK: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the issue including the risks involved. The Equity Shares Offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of the Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 28 of the Red Herring Prospectus.

BOOK RUNNING LEAD MANAGERS TO THE ISSUE

Cumulative capital
CUMULATIVE CAPITAL PRIVATE LIMITED
Address: 321, 3rd Floor, C Wing, 215 Atrium Co Op. Premises, Andheri Kuria Road, Haruman Nagar, Andheri - East, Mumbai - 400 093, Maharashtra, India.
Telephone Contact: +91 9819662664 / +91 7016251158
Email ID: contact@cumulativecapitalgroup
Website: www.cumulativecapitalgroup
Contact Person: Swarnjisagar Vithalani / Parin Dhanasha
SEBI Registration Number: INM00013129
CIN: U64910MH2023PTC414974

UNISTONE
UNISTONE CAPITAL PRIVATE LIMITED#
Address: A/305, Dynasty Business Park, Andheri Kuria Road, Andheri - East, Mumbai- 400059, Maharashtra, India.
Telephone Contact: +91 9820057533
Email ID: mb@unistonecapital.com
Website: www.unistonecapital.com
Contact Person: Brijesh Parekh
SEBI Registration Number: INM00012449
CIN: U65999MH2019PTC330850
#Unistone capital private limited would be involved only in the marketing of the issue.

REGISTRAR TO THE ISSUE

MUFG
MUFG INTIME INDIA PRIVATE LIMITED
(formerly Link Intime India Private Limited)
Address: C-101, Embassy 247, LBS Marg, Vikhroli (West), Mumbai - 400083, Maharashtra, India.
Telephone Contact: +91 8108114949
E-mail: patelchem.ipo@in.mprms.mufg.com
Website: www.in.mprms.mufg.com
Contact Person: Shanti Gopalkrishnan
SEBI Registration: INR00004058 CIN: U67100MH1999PTC118368

COMPANY SECRETARY AND COMPLIANCE OFFICER

Sonalkumari Yadav
Company Secretary & Compliance Officer
Patel Chem Specialities Limited
Plot No. 272/4-5, Phase II, G.I.D.C Industrial Estate, Vatva Road, Ahmedabad 382445, Gujarat, India
Email: cs@patelchem.com
Tel No: +91- 9712999854
Website: www.patelchem.com

Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-issue or post-issue related grievances including non receipt of letters of allotment, non-credit of allotted equity shares in the respective beneficiary account, non-recruit of refund orders or non-recruit of funds by electronic mode, etc. For all issue related queries and for redressal of complaints, investors may also write to the BRLMs.

AVAILABILITY OF RHP: Investors should note that investment in Equity Shares involves a high degree of risk and investors are advised to refer to the Red Herring Prospectus and the Risk Factor contained therein, before applying in the Issue. Full copy of the Red Herring Prospectus shall be available at the website of Stock Exchange www.bseindia.com, the website of Book Running Lead Managers www.cumulativecapitalgroup and www.unistonecapital.com; and from the Registered Office of the Company.

AVAILABILITY OF BID-CUM-APPLICATION FORMS: Bid-Cum-Application forms can be obtained from the Registered Office of the Company: Patel Chem Specialities Limited (Telephone: +91-9712999854) BRLMs: Cumulative Capital Private Limited (Telephone: +91 9819662664 / +91 7016251158) and Unistone Capital Private Limited (Telephone: +91 9820057533) Syndicate Member: Globalworth Securities Limited (Telephone: +91 022-69190011), Registered Brokers, RTA and CDPs participating in the Issue. Bid-cum-application forms will also be available on the websites of, BSE (www.bseindia.com) and the designated branches of SCSEs, the list of which is available at websites of the Stock Exchange and SEBI.

AVAILABILITY OF THE ABRIDGED PROSPECTUS: A copy of abridged prospectus shall be available on the website of the company, BRLMs and BSE at www.patelchem.com, www.cumulativecapitalgroup, www.unistonecapital.com and www.bseindia.com respectively.

SYNDICATE MEMBER: Globalworth Securities Limited

BANKERS TO THE ISSUE/ SPONSOR BANK/ ESCROW COLLECTION BANK/ PUBLIC OFFER BANK/ REFUND BANK: Axis Bank Limited

UPI: UPI Bidders can also Bid through UPI Mechanism

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

For Patel Chem Specialities Limited
On Behalf of the Board of Directors
Sd/-
Bhupesh Patel
Managing Director

Place: Ahmedabad
Date: July 18, 2025

Patel Chem Specialities Limited is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offering of its Equity Shares and has filed the RHP with Registrar of Companies on July 16, 2025. The RHP shall be available on the website of the BRLMs to the Issue at www.cumulativecapitalgroup, www.unistonecapital.com and website of BSE i.e. www.bseindia.com. Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see section titled "Risk Factors" beginning on page 28 of the RHP. Potential investors should not rely on the RHP for making any investment decision.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption