BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company and Selling Shareholders, in consultation with the Book Running Lead Manager, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the qualitative and quantitative factors as described below. The face value of the Equity Share is ₹10 per Equity Share and Offer Price is 11.2 times the face value at the lower end of the Price Band and 11.8 times the face value at the higher end of the Price Band.

Investors should refer to "*Risk Factors*", "*Business Overview*", "*Restated Financial Statements*" and "*Management Discussion and Analysis of Financial Condition and Results of Operations*" and on page 149, 214 and 264 respectively of this Red Herring Prospectus to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are

- Indigenous manufacturer of Catalysts, Adsorbents and Ceramic balls in India
- Track record of profitability and consistent financial performance in an industry with significant entry barriers
- Strategically located Manufacturing Facilities with capabilities to handle multiple products lines
- Well-positioned in an industry with several entry barriers
- Strong customer base & relationship with global footprint
- Experienced management team and qualified personnel with significant industry experience

Quantitative Factors

The information presented below is based on the Restated Financial Statements of our Company for the Financial year ended on March 31, 2026, March 31, 2025 and March 31, 2024 prepared in accordance with GAAP and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) Issued by the ICAI, together with the schedules, notes and annexure thereto. For details, see "*Restated Financial Statements*" on page 214.

Some of the quantitative factors which form the basis or computing the price, are as follows:

1) Basic and Diluted Earnings Per Share ("EPS")

Particulars	Weights	Basic and Diluted EPS (in ₹)
FY 2023-24	1	3.98
FY 2024-25	2	7.49
FY 2025-26	3	12.22
Weightage Average EPS	**6**	**9.27**

Notes:

a) *Basic EPS = Restated profit for the year attributable to equity holders of the Company divided by Weighted average number of equity shares outstanding during the year.*

b) *Diluted EPS = Restated profit for the year attributable to equity holders of the Company divided by Weighted average number of dilutive equity shares outstanding during the year.*

c) *Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. {(EPS x Weight) for each year} / {Total of weights}.*

d) *The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statement.*

2) Price to Earnings (P/E) ratio in relation to Price Band of ₹112 to ₹118 per Equity Share of ₹ 10.00 each fully paid up

Particulars	P/E at Floor Price (no. of times)*	P/E at Cap Price (no. of times)*

P/E ratio based on the Basic & Diluted EPS, as restated for FY 2025-26	9.17	9.66
P/E ratio based on the Weighted Average Basic & Diluted EPS, as restated	12.08	12.73
Industry Peer Groups		

**Will be included in the Prospectus.*
$There is no company in peer group with the type of business with which the company is operating.

3) Return on Net worth ("RoNW")

Return on Net Worth (RoNW) as per restated financial statements

Particulars	Weights	RONW
FY 2023-24	1	30.65%
FY 2024-25	2	36.57%
FY 2025-26	3	37.38%
Weightage Average	**6**	**35.99%**

Note: *Return on Net worth has been calculated as per the following formula*

a) *Return on Net Worth (%) = Net Profit after tax, as restated / Average Total Equity, as restated, as at year end.*
b) *Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.*

4) Net Asset Value per Equity Shares ("NAV")

Net Asset Value per equity share	(in ₹)
Net Asset Value per Equity Share as of March 31, 2026	32.68
After the completion of the Issue	
At Floor Price	52.17
At Cap price	53.64
Issue Price	53.64

Notes:

a) *Net Asset Value per equity share represents average net worth attributable to Equity Shareholder (average Equity Share capital together with other equity as per Restated Financial Information) as at the end of the fiscal divided by Weighted No. of Equity Shares (after bonus effect).*
b) *Offer Price per Equity Share will be determined on conclusion of the Book Building Process.*

5) Comparison with industry peers

There is no listed entity in the business in which our company is operating hence peer comparison is not given.

6) Key Performance Indicators ("KPIs")

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. The key financial and operational metrics set forth above, have been approved and verified by the Audit Committee pursuant to its resolution dated June 08, 2026 Further, the Audit Committee has on June 08, 2026 taken on record that other than the key financial and operational metrics set out below, our Company has not disclosed any other key performance indicators during the three years preceding this Red Herring Prospectus with its investors. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to our Company's listed peers, and other relevant and material KPIs of the business of our Company that have a bearing for arriving at the Basis for Offer Price have been disclosed below.

Explanation for the Key Performance Indicators:

KPI	Explanation

Revenue from operations (₹ in lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business
Total Income (₹ in lakhs)	Total Income is used by our management to obtain a comprehensive view of all income including revenue from operations and other income
EBITDA (₹ in lakhs)	EBITDA provides information regarding the operational efficiency of our business
EBITDA Margin (in %)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit after Tax (₹ in lakhs)	Profit after Tax provides information regarding the overall profitability of our business
Current Ratio	Current Ratio provides efficiency which current assets are managed by the Company.
Debt Equity Ratio	Debt-equity ratio is a gearing ratio which compares shareholder's equity to company debt to assess our company's amount of leverage and financial stability.
Debt Service Coverage Ratio	Debt Service Coverage Ratio indicated how much cash flow is available against the liability of the Company for repayment of Debt and Interest.
Return on Capital Employed (in %)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in our business.
Net profit Ratio (in %)	Net Profit Ratio is an indicator of the overall profitability and financial performance of our business.
Return on Equity (in %)	This metric enables us to track how much profit a company generates with the money that the equity shareholders have invested.

Financial KPI of our Company

(₹ in Lakhs except Percentage and Ratio)

Particulars	March 31, 2026	March 31, 2025	March 31, 2024
Revenue from operations (1)	5,577.59	5,319.21	4,346.99
Total Income (2)	5,684.44	5,353.89	4,375.04
EBITDA (3)	1,676.46	1,093.17	669.08
EBITDA Margin (4) (%)	29.49%	20.42%	15.29%
Profit after Tax (5)	1,252.09	767.23	407.84
Current Ratio (6)) (No. of Times)	4.18	3.26	1.81
Debt Equity Ratio (7)) (No. of Times)	0.07	0.13	0.33
Debt Service Coverage Ratio (8) (No. of Times)	5.63	7.72	95.30
Return on Capital Employed (%) (9)	47.60%	44.71%	36.67%
Net profit Ratio (%) (10)	22.45%	14.42%	9.38%
Return on Equity (%) (11)	45.97%	44.76%	36.20%
Net worth	3,349.82	2,097.73	1,330.50

As certified by the Statutory auditor vide their certificate dated June 08, 2026 *bearing UDIN: 26147132ABUCPJ3231.*

Notes:

(1) *Revenue from operations is calculated as the sum of revenue from sale.*
(2) *Total income is calculated as the sum of revenue from operations and other income for the period/year.*
(3) *Operating EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items.*
(4) *Operating EBITDA Margin refers to EBITDA during a given period as a percentage of Total income during that period.*
(5) *Profit / (loss) for the period/ year is calculated as Total Income less Total Expenses plus Share of (loss) from joint ventures (Net of tax) less Total Tax expenses for the period/ year.*
(6) *Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.*
(7) *Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term-borrowings) by total equity (which includes issued capital and all other equity reserves).*

(8) *Debt Service Coverage Ratio is calculated by dividing the sum of Profit after Tax and interest amount by sum of the repayment of loan and Interest.*
(9) *RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus finance costs divided by total equity plus Reserves & Surplus.*
(10) *Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our total revenue.*
(11) *Return on equity (RoE) is equal to profit for the year divided by the total equity during that period and is expressed as a percentage*

Comparison of key performance indicators with Peer Group Companies
Our Company does not have any peer group company for comparison with Industry Peer.

7) Weighted average cost of acquisition ("WACA")

(a) The price per share of our Company based on the primary / new issue of shares;
Our Company has not issued any Equity Shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more that 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30days.

(b) 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 or any Convertible securities (" Security (ies)"), where the Promoters/ Selling Shareholders, members of the Promoter Group, or the Shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer 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.

Date of Transfer	Total Number of Equity Shares	Face value	Transfer price per Equity share	Nature of Consideration	Nature of Transaction	Total Consideration
December 11, 2025	38,600	10.00	Nil	Other than Cash	Transfer pursuant to HUF Partition	Nil
December 11, 2025	10,000	10.00	Nil	Other than Cash	Transfer pursuant to HUF Partition	Nil
December 22, 2025	47,600	10.00	Nil	Other than Cash	Transfer pursuant to HUF Partition	Nil

Weighted average cost of acquisition (₹per Equity Share) = Nil

(c) Weighted average cost of acquisition, floor price and cap price.

Type of Transactions	WACA (₹)	Floor Price (₹ 112)*	Cap Price (₹ 118)*
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under ESOP 2018 and issuance of bonus shares, during the 18 months preceding the date of this certificate, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-offer capital before such transaction/s and excluding	N.A.	-	-

employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days			
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where our Promoters or Promoter Group entities or shareholder(s) having the right to nominate director(s) in our Board 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 five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-offer 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	Nil	Nil	Nil

As certified by the Statutory auditor vide their certificate dated June 08, 2026, bearing UDIN: 26147132OEVYEB2832.

(d) Explanation for Offer Price / Cap Price being 118 price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's key performance indicators and financial ratios for the Fiscals 2026, 2025 and 2024.

India's industrial catalyst and adsorbent ecosystem play a critical role in enabling efficient, sustainable, and high-quality production across refining, petrochemical, chemical, fertilizer, and gas-processing industries. These materials ranging from process-specific catalysts to high-performance adsorbents and inert ceramic support media are essential for purification, dehydration, sulphur removal, hydro processing, cracking, and environmental compliance. Together, they enhance reaction efficiency, protect downstream equipment, extend catalyst life, and support cleaner manufacturing practices. As India's industrial sectors expand and adopt stricter quality and emission standards, the demand for advanced catalytic systems, specialized adsorbents, and durable ceramic balls continues to rise, positioning this segment as a foundational enabler of the country's broader industrial and energy-transition goals.

The Indian industrial catalyst industry plays a foundational role in the country's economic and manufacturing ecosystem, supporting some of the most strategically important value chains, including Oil & Gas, Petrochemicals, Steel, Fertilizers, and others. Catalysts are substances that accelerate chemical reactions, enhance product yield and quality, reduce energy consumption, and enable environmentally cleaner industrial operations without being consumed in the process. In modern industrial production, catalysts are not optional inputs; they are mission-critical performance materials that determine efficiency, sustainability, and economic viability.

(**Source**: D&B Report)

(e) Explanation for Offer Price / Cap Price being 118 price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares in view of the external factors which may have influenced the pricing of the Offer.

India Real GDP (GDP at constant prices) for FY 2025–26 is estimated to reach INR 322.58 lakh crore, compared to the First Revised Estimate (FRE) of INR 299.89 lakh crore for FY 2024–25. This represents a growth rate of 7.6% in 2025–26, higher than the 7.1% growth recorded in 2024–25.

Similarly, Real GVA for FY 2025–26 is projected at INR 294.40 lakh crore, up from INR 273.36 lakh crore in FY 2024–25. This indicates a growth rate of 7.7%, compared with the 7.3% growth achieved in the previous year.
(**Source**: D&B Report)