

DEEPAK CHEMTEX LTD DEEPAK CHEMTEX LIMITED

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Our Company was originally incorporated as a private limited Company under the name of "Deepak Chemtex Private Limited" on June 10, 1997 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra, Mumbai, bearing registration number as 211935. Thereafter, our Company was converted from private limited to public limited and the name of our Company was changed from "Deepak Chemtex Private Limited" to "Deepak Chemtex Limited" vide fresh certificate of incorporation dated September 04, 2023, issued by the Registrar of Companies, Maharashtra, Pune. The Corporate identification number of our Company is U24110PN1997PLC211935. For further details please refer to chapter titled "History and Corporate Structure" beginning on page 121 of the Prospectus.

Registered Office : Aawashi, 28/1A, A/P Adgul Aawashi, Lote, Ratnagiri, Maharashtra – 415 722, India; Tel No: +91 88706 82632; E-mail: info@deepakchemtex.in; Website: www.deepakchemtex.in;
CIN: U24110PN1997PLC211935; Contact Person: Sonam Sharma, Company Secretary & Compliance Officer.

OUR PROMOTERS: Saurabh Deepak Arora and Trishla Baid

"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 OFFER OF UPTO 28,80,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE "EQUITY SHARES") OF DEEPAK CHEMTEX LIMITED ("OUR COMPANY" OR "DCL" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹ 80 PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ 2304 LAKHS ("PUBLIC ISSUE") OUT OF WHICH 1,47,200 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ 80 PER EQUITY SHARE FOR CASH, AGGREGATING ₹ 117.76 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 27,32,800 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ 80 PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ 2186.24 LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.51% AND 25.15 % RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARE IS RS. 10 AND ISSUE PRICE IS RS. 80 THE ISSUE PRICE IS 8 TIMES OF THE FACE VALUE OF THE EQUITY SHARE
ANCHOR INVESTOR ISSUE PRICE: RS. 80 PER EQUITY SHARE
THE ISSUE PRICE IS 8 TIMES OF THE FACE VALUE

BID/ ISSUE PERIOD

ANCHOR INVESTOR BIDDING DATE WAS: TUESDAY, NOVEMBER 28, 2023

BID / ISSUE OPENED ON: WEDNESDAY, NOVEMBER 29, 2023

BID / ISSUE CLOSED ON: FRIDAY, DECEMBER 01, 2023

RISKS TO INVESTORS:

- Our business is dependent and will continue to depend on our manufacturing facilities, and we are subject to certain risks in our manufacturing process. Any slowdown or shutdown in our manufacturing operations or strikes, work stoppages or increased wage demands by our employees that could interfere with our operations could have an adverse effect on our business, financial condition and results of operations.
- The Merchant Banker associated with the Issue has handled 27 public issue in the past three years out of which none of the Issue closed below the Issue Price on listing date.
- Average cost of acquisition of Equity Shares held by the Individual Promoters is :

Sr. No.	Name of the Promoters	Average cost of Acquisition (in ₹)
1	Saurabh Deepak Arora	Nil
2	Trishla Baid	Nil

- and the Issue Price at the upper end of the Price Band is Rs. 80 per Equity Share.
- The Price/ Earnings ratio based on Diluted EPS for Fiscal 2023 for the company at the upper end of the Price Band is 10.14
- Weighted Average Return on Net worth for Fiscals 2023, 2022 and, 2021 is 43.61%
- The Weighted average cost of acquisition of all Equity Shares transacted in the last one year, 18 months and three years from the date of Prospectus is as given below:

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper end of the Price Band (Rs. 80) is 'X' times the weighted Average cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in Rs.)
Last 1 year/ Last 18 months/ Last 3 years	Nil	Not Defined	Not Defined

- The Weighted average cost of acquisition compared to floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ 76)	Cap price (i.e. ₹ 80)
WACA of primary issuance (exceeding 5% of the pre issue capital)	NA^	NA^	NA^
WACA for secondary sale / acquisition (exceeding 5% of the pre issue capital)	NA^^	NA^^	NA^^
WACA of past 5 primary issuances / secondary in last 3 years	0.27	281.48 times	296.29 times

Note:

^There were no primary / new issue of shares in last 18 months from the date of the Red Herring Prospectus.

^^There were no secondary transactions as mentioned in paragraph 8(b) above, in last 18 months from the date of the Red Herring Prospectus

** Post adjustment of bonus shares.

PROPOSED LISTING: Wednesday, December 06, 2023*

The Issue was being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue was available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), Our Company in consultation with the Book Running Lead Managers has allocated upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"). Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue was made available for allocation to Retail Individual Bidders in accordance with the SEBI (ICDR) Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) were required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, 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 were not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 221 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 the BSE Limited. The trading is proposed to be commenced on or before Wednesday, December 06, 2023*

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

The bidding for Anchor Investors opened and closed on Tuesday, November 28, 2023. The Company received 5 Anchor Investors applications for 12,56,000 Equity Shares. The Anchor Investor Allocation price was finalized at Rs. 80/- per Equity Share. A total of 8,17,600 Equity Shares were allotted under the Anchor Investors portion aggregating to Rs. 6,54,08,000.00

The Issue (excluding Anchor Investors Portion) received 3,07,859 Applications for 77,43,23,200 Equity Shares (after bid not banked cases and before technical rejection) resulting 375.45 subscription (including reserved portion of market maker). The details of the Applications received in the Issue from various categories are as under (before technical rejections):

Detail of the Applications Received (excluding Anchor Investors Portion):

Sr. No.	Category	Number of Applications	No. of Equity Shares applied	Equity Shares Reserved as per Prospectus	No. of times Subscribed	Amount (Rs.)
1	Market Maker	1	1,47,200	1,47,200	1.00	1,17,76,000
2	QIB (excluding Anchor investor portion)	50	5,20,36,800	5,47,200	95.10	4,16,29,44,000
3	Non Institutional Investor	22,776	26,60,88,000	4,11,200	647.10	21,27,79,90,400
4	Retail Individual Investors	2,85,032	45,60,51,200	9,56,800	476.64	36,48,19,42,400
	TOTAL	3,07,859	77,43,23,200	20,62,400	375.45	61,93,46,52,800

*This excludes 69 applications for 1,10,400 Equity Shares from Retail Individual which were not in book.

1) Allotment to Retail Individual Investors (After Technical Rejections)

The Basis of Allotment to the Retail Individual Investors, who have Bid at cut-off Price or at or above the Issue Price of Rs. 80 per Equity Share, was finalized in consultation with BSE. The category has been subscribed to the extent of 465.52 times. The total number of Equity Shares Allotted in this category is 9,56,800 Equity Shares to 598 successful applicants. The details of the Basis of Allotment of the said category are as under:

No. of Shares Applied for (Category wise)	No. of Applications Received	% of Total	Total No. of Shares Applied	% to Total	No. of Equity Shares Allotted per Applicant	Ratio	Total No. of Shares Allotted
Retail Individual Investors	2,78,381	100	44,54,09,600	100	1600	2:931	9,56,800

2) Allotment to Non-Institutional Investors (After Technical Rejections)

The Basis of Allotment to the Non-Institutional Investors, who have bid at the Issue Price of Rs. 80 per Equity Share or above, was finalized in consultation with BSE. The category has been subscribed to the extent of 639.40 times. The total number of Equity Shares Allotted in this category is 411,200 Equity Shares to 248 successful applicants. The details of the Basis of Allotment of the said category are as under (Sample Basis):

No. of Shares Applied for (Category wise)	No. of Applications Received	% of Total	Total No. of Shares Applied in Each Category	% to Total	No. of Equity Shares Allotted per Applicant	Ratio	Total No. of Shares Allotted
3200	13797	61.85	44150400	16.79	1600	1:321	68800
9600	270	1.21	2592000	0.99	1600	1:90	4800
17600	120	0.54	2112000	0.80	1600	1:60	3200
25600	99	0.44	2534400	0.96	1600	1:33	4800
33600	17	0.08	571200	0.22	1600	1:17	1600
41600	17	0.08	707200	0.27	1600	1:17	1600
49600	30	0.13	1488000	0.57	1600	1:15	3200
56000	12	0.05	672000	0.26	1600	1:12	1600
64000	19	0.09	1216000	0.46	1600	1:19	1600
75200	7	0.03	526400	0.20	1600	1:7	1600
80000	25	0.11	2000000	0.76	1600	2:25	3200
96000	12	0.05	1152000	0.44	1600	1:12	1600
108800	6	0.03	652800	0.25	1600	1:6	1600
126400	6	0.03	758400	0.29	1600	1:6	1600
132800	4	0.02	531200	0.20	1600	1:4	1600
140800	4	0.02	563200	0.21	1600	1:4	1600
160000	8	0.04	1280000	0.49	1600	1:8	1600
176000	4	0.02	704000	0.27	1600	1:4	1600
211200	3	0.01	633600	0.24	1600	1:3	1600
252800	2	0.01	505600	0.19	1600	1:2	1600
321600	2	0.01	643200	0.24	1600	1:2	1600
374400	2	0.01	748800	0.28	1600	1:2	1600
433600	2	0.01	867200	0.33	1600	1:2	1600
481600	1	0.00	481600	0.18	1600	1:1	1600
587200	1	0.00	587200	0.22	1600	1:1	1600
624000	2	0.01	1248000	0.47	1600	1:2	1600
684800	1	0.00	684800	0.26	1600	1:1	1600
720000	1	0.00	720000	0.27	1600	1:1	1600
825600	1	0.00	825600	0.31	1600	1:1	1600
990400	1	0.00	990400	0.38	1600	1:1	1600
1235200	1	0.00	1235200	0.47	1600	1:1	1600
1364800	1	0.00	1364800	0.52	1600	1:1	1600
1364800	23	0.10	31464000	11.97	1600	1:1	36800
			1600 additional shares were allotted to serial no. 186 in the ratio of 8:23		1600	8:23	12800

3) Allotment to QIBs excluding Anchor Investors (After Technical Rejections)

Allotment to QIBs, who have bid at the Issue Price of Rs. 80 per Equity Share or above, has been done on a proportionate basis in consultation with BSE. This category has been subscribed to the extent of 95.10 times of QIB portion. The total number of Equity Shares allotted in the QIB category is 547,200 Equity Shares, which were allotted to 49 successful Applicants.

CATEGORY	FIS/BANKS	MF'S	IC'S	NBFC'S	AIF	FPC	VC'S	TOTAL
QIB	-	-	3200	144000	132800	267200	-	547200

The Board of Directors of our Company at its meeting held on December 04, 2023 has taken on record the basis of allotment of Equity Shares approved by the Designated Stock Exchange, being BSE and has allotted the Equity Shares to various successful applicants. The Allotment Advice Cum Refund Intimation will be dispatched to the address of the investors as registered with the depositories. Further, instructions to the SCSBs have been dispatched / mailed for unblocking of funds and transfer to the Public Issue Account on or before December 05, 2023. In case the same is not received within ten days, Investors may contact the Registrar to the Issue at the address given below. The Equity Shares allotted to the successful allottees shall be uploaded on December 05, 2023 for credit into the respective beneficiary accounts subject to validation of the account details with the depositories concerned. The Company is in the process of obtaining the listing and trading approval from BSE and the trading of the Equity Shares is expected to commence trading on December 06, 2023.

Note: All capitalized terms used and not defined herein shall have the respective meanings assigned to them in the Prospectus dated December 04, 2023 filed with the Registrar of Companies, Pune, Maharashtra. ("RoC").

INVESTORS, PLEASE NOTE

The details of the allotment made has been hosted on the website of the Registrar to the Issue, Bigshare Services Private Limited at website: www.bigshareonline.com

TRACK RECORD OF LEAD MANAGER: The Merchant Banker associated with the issue has handled 27 public issues in the past 3 years all of which were SME IPOs.

All future correspondence in this regard may kindly be addressed to the Registrar to the Issue quoting full name of the First/ Sole Bidder Serial number of the ASBA form, number of Equity Shares bid for, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder and copy of the Acknowledgment Slip received from the Designated Intermediary and payment details at the address given below:

Place: Ratnagiri
Date: December 05, 2023



BIGSHARE SERVICES PRIVATE LIMITED

Address: S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai-400093, India.
Tel No.: +91 022 6263 8200; Fax: +91 022 6263 8299; Email: ipo@bigshareonline.com Contact Person: Babu Raphael C
Website: www.bigshareonline.com; SEBI Registration Number: INR00001385

On behalf of Board of Directors
DEEPAK CHEMTEX LIMITED

Sd/-
Saurabh Deepak Arora
Chairman and Managing Director

THE LEVEL OF SUBSCRIPTION SHOULD NOT BE TAKEN TO BE INDICATIVE OF EITHER THE MARKET PRICE OF THE EQUITY SHARES ON LISTING OR THE BUSINESS PROSPECTS OF DEEPAK CHEMTEX LIMITED

Disclaimer: Deepak Chemtex Limited has filed the Prospectus with the RoC on December 04, 2023 and thereafter with SEBI and the Stock Exchange. The Prospectus is available on the website of the BRLM, Hem Securities Limited at www.hemsecurities.com and the Company at: www.deepakchemtex.in, and shall also be available on the website of the BSE and SEBI. Investors should note that investment in Equity Shares involves a high degree of risk and for details relating to the same, please see "Risk Factors" beginning on page 25 of the Prospectus. The Equity Shares 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 may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares are being issued and sold outside the United States in "offshore transactions" in reliance on Regulation under the Securities Act and the applicable laws of each jurisdiction where such issues and sales are made. There will be no public listing in the United States.