



ਨਵਾਂ ਜਮਾਨਾ, ਜਲੰਧਰ

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PARAMOUNT DYE TEC LIMITED

Corporate Identification Number: U13114PB2024PLC060422



(Please scan this QR Code to view the RHP)

Our Company was initially established as Partnership Firm under the Partnership Act, 1932 ("Partnership Act") in the name and style of "Paramount Dye Tec" pursuant to Deed of Partnership dated January 03, 2014, effective from January 01, 2014. Paramount Dye Tec was thereafter converted from Partnership Firm to a Public Limited Company under Part I Chapter XI of the Companies Act, 2013 with the name and style of "Paramount Dye Tec Limited" and received a Certificate of Incorporation from the Registrar of Companies, Central Registration Centre dated January 04, 2024. The Corporate Identification Number of the Company is U13114PB2024PLC060422. For details in relation to the incorporation, Change in Registered Office and other details, please refer to the chapter titled "Our History and Certain Other Corporate Matters" beginning on page 145 of the Red Herring Prospectus.

Registered Office: Village Mangari, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India; Contact Person: Ms. Chandni Jain, Company Secretary and Compliance Officer

Email: info@paramountdycet.com; Website: www.paramountdycet.com; Contact No.: +91 9056855519

PROMOTERS OF OUR COMPANY: MR. KUNAL ARORA AND MS. PALKI ARORA

INITIAL PUBLIC OFFER OF UPTO 24,30,000* EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH ("EQUITY SHARES") OF PARAMOUNT DYE TEC LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"). THE ISSUE INCLUDES A RESERVATION OF UPTO 1,22,400* EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UPTO 23,07,600* EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 35% AND 33.24% RESPECTIVELY OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

PRICE BAND: ₹ 111.00 to ₹ 117.00 PER EQUITY SHARE OF FACE VALUE OF ₹ 10.00 EACH AND THE ISSUE PRICE IS 11.1 TO 11.7 TIMES OF THE FACE VALUE AT THE LOWER PRICE BAND AND THE UPPER PRICE BAND RESPECTIVELY. BID CAN BE MADE FOR MINIMUM OF 1,200 EQUITY SHARES AND THE MULTIPLES OF 1,200 EQUITY SHARES THEREAFTER

*Subject to finalization of the Basis of Allotment

ALLOCATION OF THE OFFER

QIB PORTION	NOT MORE THAN 50.00% OF THE NET OFFER
RETAIL PORTION	NOT LESS THAN 35.00% OF THE NET OFFER
NON-INSTITUTIONAL PORTION	NOT LESS THAN 15.00% OF THE NET OFFER
MARKET MAKER PORTION	UPTO 1,22,400 EQUITY SHARES OR 5.04 % OF THE ISSUE

PRICE BAND: ₹ 111.00 to ₹ 117.00 PER EQUITY SHARE

THE FLOOR PRICE IS 11.1 TIMES OF THE FACE VALUE AND CAP PRICE IS 11.7 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. BIDS CAN BE MADE FOR A MINIMUM OF 1,200 EQUITY SHARES AND IN MULTIPLES OF 1,200 EQUITY SHARES THEREAFTER. THIS ISSUE IS MADE THROUGH BOOK BUILDING PROCESS, 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 SECURITIES CONTRACT (REGULATION) RULES, 1957, AS AMENDED.

ISSUE PROGRAM

ANCHOR BID OPENS ON FRIDAY, SEPTEMBER 27, 2024*

OPENS ON: MONDAY, SEPTEMBER 30, 2024*

CLOSES ON: THURSDAY, OCTOBER 03, 2024#**

* Our Company in consultation with the BRLM may 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 BRLM, 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.

The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.

ASBA*

Simple, Safe, Smart way of Application-Make use of it!!!

*Application Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For further details check section on ASBA below.

Mandatory in Public Issues from January 01, 2016. No cheque will be accepted.



UPI – Now mandatory in ASBA for Retail Investors applying through Registered Brokers, DPs & RTAs. Retail Investors also have the options to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. ** Investors are required to ensure that the Bank Account used for applying is linked to their PAN.

RISK TO INVESTORS:

- We operate in a heavily regulated sector and our operations are subject to environmental, health and safety regulations that could expose us to liability, increase our cost of operations or otherwise have a material adverse effect on our results of operations and could also result in enhanced compliance obligations.
- Majority of our revenue is dependent on single business segment i.e. manufacturing of fiber and yarns. Any adverse impact on sales of a product would adversely affect our operations and profitability.
- Our business depends on our manufacturing facility and the loss of or shutdown of

operations of the manufacturing facility on any grounds could adversely affect our business or results of operations. Further, our business involves usage of manpower and any unavailability of our employees or any strikes, work stoppages may have an adverse impact on our cash flows and results of operations.

- The Company is dependent on a few suppliers for purchases of product/service. The loss of any of these large suppliers may affect our business operations.
- Too much Geographical concentration of our Business in one location can impact our Business.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by the Company in consultation with the BRLM on the basis of the key business strengths of our Company. The face value of the Equity Shares is ₹10.00 each and Issue Price is 11.1 times to the face value at lower end and 11.7 times to the face value at upper end of price band.

QUALITATIVE FACTORS

- Use of recycled synthetic waste as raw materials
- Margin Benefits
- Custom Solutions
- Value Addition through Enhanced Spinning Capacity
- Cost-effective products
- Tailored solutions
- Quality assurance
- Simplified supply chain

For further details, see "Risk Factors" and "Our Business" beginning on pages 29 and 111 respectively of the Red Herring Prospectus.

QUANTITATIVE FACTORS

Some of the information presented in this chapter is derived from the Restated Financial Information. For further information, see "Financial Information" beginning on page 181 of the Red Herring Prospectus.

1. Basic and Diluted Earnings / (Loss) Per Share ("EPS")

As per Restated Financial Statements – Post Bonus

Particulars	Basic & Diluted EPS (in ₹)	Weights
Period from January 04, 2024 to March 31, 2024 (Non-Annualized)	7.86	1

Notes:

i. Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings per equity share are computed in accordance with Accounting Standard 20 – "Earnings per Share" issued by the Institute of Chartered Accountants of India.

ii. The ratios have been computed as below:

- Basic EPS is calculated as Profit/(Loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number basic equity shares outstanding during the year/period.
- Diluted EPS is calculated as Profit/(Loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number of adjusted diluted equity shares outstanding during the year/period.

iii. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period. For further details, see "Other Financial Information" on page 181 of Red Herring Prospectus.

2. Price Earnings Ratio ("P/E") in relation to the price band of ₹111.00 - ₹117.00- per share

Particulars	(P/E) Ratio at the Floor Price (no. of times)	P/E Ratio at the Cap Price (no. of times)
Based on Restated Financial Statements		
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24	14.12	14.89
P/E ratio based on the Weighted Average Basic & Diluted EPS	N.A.	N.A.

Note: P/E ratio has been computed dividing the price per share by Earnings per Equity Share.

3. Return on Net worth (RoNW)

As per Restated Financial Statements

Particulars	RONW (%)	Weights
Period from January 04, 2024 to March 31, 2024 (Non-Annualized)	11.68	1

Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year

4. Net Asset Value (NAV)

As per Restated Financial Statements – Post Bonus

Financial Year	NAV (₹)
As on March 31, 2024	67.31
Net Asset Value per Equity Share after the Issue at Issue Price	[●]
Issue Price*	[●]

1. NAV has been calculated as Net worth divided by number of Equity Shares at the end of the year.

2. Net asset value per equity share = net worth attributable to the owners of the parent as at the end of the year/period divided by adjusted number of equity shares outstanding as at the end of year/period.

3. Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of statement of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off and non-controlling interest, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

4. Net Worth and the number of equity shares as at the end of the year/period have been adjusted to give effect to the consequent increase in share capital on the assumption that options outstanding to subscribe for additional equity capital (i.e. outstanding share warrants and employee stock options), wherever applicable, were exercised in the respective financial year/period. The computation considering aforementioned effects has been carried out in accordance with the requirements of SEBI ICDR Regulations and therefore the net worth and the number of equity shares outstanding as at the end of the year/period has not been derived from Restated Financial Information.

Comparison of accounting ratios with listed industry peers:

Since the performance data of our company is available only for 3 months, it cannot be compared to other listed peers in the industry.

5. Key Performance Indicators ("KPIs")

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analysing the growth of our company in comparison to our peers.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated July 12, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Red Herring Prospectus. Further, the KPIs herein have been certified by Jay Gupta & Associates, Chartered Accountants, by their certificate dated July 12, 2024.

The KPIs of our Company have been disclosed in the sections titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators" on pages 111 and 182 respectively of Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

Key Performance Indicators of our Company

Key Financial Performance	For the period ended	For the Financial Year ended				
		March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Company						Partnership Firm
Revenue from operations ⁽ⁱ⁾	2,351.15	2,954.72	4,600.08	2,363.32	1,690.50	
EBITDA ⁽²⁾	514.43	520.77	610.44	115.75</td		

