

This is an abridged Prospectus containing salient features of the Red Herring Prospectus dated September 24, 2024, (the "RHP"). You are encouraged to read greater details available in the Red Herring Prospectus (Download link: <https://subampapers.com/rhp/>).

THIS ABRIDGED RED HERRING PROSPECTUS CONSISTS OF EIGHT PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.



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Abridged Prospectus)



SUBAM PAPERS LIMITED

Corporate Identification Number: U21012TN2004PLC054403

Date of Incorporation: October 6, 2004

Registered Office	Contact Person	Email and Telephone	Website
S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli, Tirunelveli Taluk-627010, Tamil Nadu, India.	Mr. Poovalingam Nagarajan Company Secretary and Compliance Officer	E-mail: <a href="mailto:info@subampapers.com">info@subampapers.com</a> Contact No: + 91 94863 03300	<a href="http://www.subampapers.com">www.subampapers.com</a>

PROMOTERS OF THE COMPANY : MR. T BALAKUMAR AND MS. SUDHA ALAGARSAMY

DETAILS OF THE ISSUE

Type of Issue (Fresh/OFS/ Fresh & OFS)	Fresh Issue Size (by no. of shares or by amount in ₹)	OFS Size (by no. of shares or by amount in ₹)	Total Issue Size (by no. of shares or by amount in ₹)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB	NII	RII
Fresh Issue	Upto 61,64,800 Equity Shares amounting up to ₹ [●] Lakhs.	Nil	[●]	This Issue Is Being Made In Terms Of Regulation 229(2) Of Chapter IX Of The SEBI (ICDR) Regulations, 2018 As Amended.	Not more than 29,28,000 Equity Shares	Not less than 8,78,400 Equity Shares	Not less than 20,49,600 Equity Shares

These equity shares are proposed to be listed on SME Platform of BSE Limited (designated stock exchange).

OFS: Offer for Sale

Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (up to a maximum of 10 selling shareholders)

Name	Type	No of Shares offered/ Amount in ₹	WACA in ₹ per Equity	Name	Type	No of Shares offered/ Amount in ₹	WACA in ₹ per Equity
<b>Not Applicable as The Entire Issue Constitutes Fresh Issue of Equity Shares</b>							

P: Promoter; PG: Promoter Group; OSS: Other Selling shareholder; WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis

**Price Band, Minimum Bid Lot & Indicative Timelines**

Price Band*	For details of price band and basis of issue price, please refer to price band advertisement
Minimum Bid Lot Size	For details of minimum bid lot size, please refer to price band advertisement to be published in all edition of Financial Express (a widely circulated English national daily newspaper) and all edition of Jansatta (a widely circulated Hindi national & Makkalkural regional daily newspaper (Tamil being the regional language of Tirunelveli, where our registered office is located)
Bid/Offer Open On	Monday, September 30, 2024
Bid/Closes Open On	Thursday, October 03, 2024
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Friday, October 04, 2024
Initiation of Refunds	On or about Monday, October 07, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or about Monday, October 07, 2024
Commencement of trading of Equity Shares on the Stock Exchange	On or about Tuesday, October 08, 2024

\* For details of **price band** and **basis of offer price**, please refer to price band advertisement and page 110 of Red Herring Prospectus

Details of WACA of all shares transacted over the trailing eighteen months from the date of RHP

Period	Weighted Average Cost of Acquisition (in ₹)	Upper End of the Price Band is ₹ 152.00 times the WACA	Range of acquisition price Lowest Price-Highest Price (in ₹)
Trailing Eighteen Month from the date of RHP	105.00	0.73 times	₹ 144.00 to ₹ 152.00

WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of RHP.

## RISKS IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ₹ 10.00. The Floor Price, Cap Price and Offer Price determined by our Company in consultation with the BRLM on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under **“Basis for Offer Price”** on page 110 should not be considered to be indicative of the market price of the Equity Shares after listing. No assurance can be given regarding frequency of trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

## GENERAL RISKS

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 the Issuer and this Issue, including the risks involved. The 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 the Red Herring Prospectus. Specific attention of the investors is invited to the section titled **“Risk Factors”** at page 33 of the Red Herring Prospectus and on page 8 of this Abridged Prospectus.

## PROCEDURE

You may obtain a physical copy of the Bid-cum-Application Form and the Red Herring Prospectus from the stock exchange, syndicate members, registrar to the issue, share transfer agents, depository participants, stockbrokers, underwriters, bankers to the issue, investors’ associations or Self Certified Syndicate Banks

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the Red Herring Prospectus and / or the General Information Document (GID) from the Book Running Book Running Lead Manager or download it from the websites of the Stock Exchange i.e. [www.bseindia.com](http://www.bseindia.com) and the Book Running Book Running Lead Manager at [www.gretexcorporate.com](http://www.gretexcorporate.com).

## PRICE INFORMATION OF BOOK RUNNING LEAD MANAGER\* GRETEX CORPORATE SERVICES LIMITED

Sr. No.	Issue name	Name of Merchant Banker	+/- % change in closing price, (+/- % change in closing benchmark)- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark)- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark) - 180 <sup>th</sup> calendar days from listing
1.	Amic Forging Limited	Gretex Corporate Services	105.59, [3.42]	190.37, [5.78]	244.16, [9.78]
2.	Interiors & More Limited		-8.99, [-0.52]	-2.29, [1.73]	-6.53, [11.51]
3.	Zenith Drugs Limited		-40.37, [-0.58]	-37.14, [3.31]	-7.80, [11.82]
4.	Owais Metal and Mineral Processing Limited		100.76, [0.13]	361.20, [0.56]	408.55, [12.26]
5.	Associated Coaters Limited		51.59, [6.56]	55.67, [9.69]	N.A.
6.	Akme Fintrade (India) Limited		N.A.	N.A.	N.A.
7.	Rapid Multimodal Limited		N.A.	N.A.	N.A.

<b>Names of BRLM and contact details (telephone and email id) of each BRLM and contact details</b>	<b>GRETEX CORPORATE SERVICES LIMITED</b> A-401, Floor 4 <sup>th</sup> , Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai, Mumbai-400013, Maharashtra, India. <b>Tel No.:</b> +91 96532 49863 <b>Email:</b> <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a> <b>Website:</b> <a href="http://www.gretexcorporate.com">www.gretexcorporate.com</a> <b>Contact Person:</b> Ms. Neha Maiyan/ Ms. Rashmi Ranjan <b>SEBI Registration No:</b> INM000012177 <b>CIN:</b> L74999MH2008PLC288128
<b>Name of the Syndicate Member</b>	<b>GRETEX SHARE BROKING LIMITED</b> A-401, Floor 4 <sup>th</sup> , Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai, Mumbai-400013, Maharashtra, India. <b>Tel. No.:</b> +91 22 6930 8500 <b>Email:</b> <a href="mailto:compliance@gretexbroking.com">compliance@gretexbroking.com</a> <b>Contact Person:</b> Mr. Deepak Navinchandra Shah <b>SEBI Registration No:</b> INZ000166934 <b>Market Maker Registration No.:</b> SMMM0617628062012
<b>Name of the Market Maker</b>	<b>GRETEX SHARE BROKING LIMITED</b> A-401, Floor 4 <sup>th</sup> , Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai, Mumbai-400013, Maharashtra, India. <b>Tel. No.:</b> +91 22 6930 8500 <b>Email:</b> <a href="mailto:compliance@gretexbroking.com">compliance@gretexbroking.com</a> <b>Contact Person:</b> Mr. Deepak Navinchandra Shah <b>SEBI Registration No:</b> INZ000166934 <b>Market Maker Registration No.:</b> SMMM0617628062012

<b>Name of Registrar to the Issue and contact details</b>	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> S6-2, 6 <sup>th</sup> Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India <b>Tel No.:</b> +91 – 22 – 6263 8200; <b>Fax No.:</b> +91 – 22 – 6263 8299 <b>E-mail:</b> ipo@bigshareonline.com; <b>Website:</b> www.bigshareonline.com <b>Investor Grievance E-mail:</b> investor@bigshareonline.com <b>Contact Person:</b> Mr. Ganesh Shinde <b>SEBI Registration No.:</b> INR000001385
<b>Name of Statutory Auditor &amp; Peer Review Auditor</b>	M/S. C N G S N & ASSOCIATES LLP, Chartered Accountants,
<b>Name of Credit Rating Agency and the rating or grading obtained if any</b>	Not Applicable
<b>Name of Debenture Trustee, if any.</b>	Not Applicable
<b>Self-Certified Syndicate Banks</b>	The list of banks is available on: <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>
<b>Non-Syndicate Registered Brokers</b>	You can submit Bid cum Application Forms in the Issue to Non-Syndicate Registered Brokers at the Non Syndicate Broker Centres. For further details, see section titled <b>“Issue Procedure”</b> beginning at page 312 of the RHP <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=30">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=30</a>
<b>Details regarding website address(es)/ link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)</b>	<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=10">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=10</a>

#### PROMOTERS OF THE ISSUER COMPANY

Sr. No.	Name	Individual/ Corporate	Experience & Educational Qualification
1.	Mr. T Balakumar	Individual	Mr. T Balakumar, aged 57 years, is the Promoter, Managing Director and Chairman of our Company. He has a degree of Bachelor of Mechanical Engineering from P.S.G College of Technology, Coimbatore in the year 1989. He has more than 19 years of experience in the Paper Industry. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company. He is the driving force behind the working of the company and has been the mentor to all the employees. His vast industry knowledge and experience has helped company to grow many folds.
2.	Ms. Sudha Alagarsamy	Individual	Ms. Sudha Alagarsamy, aged 55 years, is the Promoter and Non-Executive Director of the Company. She holds a degree of Bachelor of Science in Mathematics from Madurai Kamaraj University in the year 1989 and also a Master of Arts Degree from Madurai Kamaraj University in the year 1991. She has more than 19 years of experience in the Paper Industry. When she was a Whole-Time Director her role in the company included overseeing whether company’s programmes are being executed in right direction as per its aim and objectives, recommended business policies to the board governing the company, established long-term business plans for supporting the vision and values of the company. Currently, as Non-Executive Director, she is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company’s mission and objectives and to comply with all relevant statutory and other regulations

#### BUSINESS OVERVIEW AND STRATEGY

We are a company engaged in the manufacturing of Kraft Paper and Paper Products. We proudly call ourselves as a packaging solution providing company. Subam started its journey in the year 2004 with manufacturing of paper cones and later expanded the product base by adding Duplex board and Kraft paper in its portfolio. Our company is not like the traditional paper manufactures, we do not manufacture our products from wood pulp but instead we use waste paper as our raw material. We aim to preserve mother nature and tend to drive our company on the principle of recycling. Our company leverages wastepaper as the primary raw material in the production of Kraft Paper and Duplex Board

Our Products:

1. Duplex Board:
2. Kraft Paper:
3. Corrugated Boxes
4. Paper Cones
5. Paper Tubes and Cores

**The Product Wise Breakup of Our Revenue (Finished Goods) is as follows:**

(₹ in Lakhs)

Product	For financial year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
	Consolidated	Consolidated	Consolidated
Kraft Paper	27,130.95	28,799.89	27,649.90
Duplex Baord	13,746.24	13,120.01	584.82
Cone Board	1,329.60	1,603.54	1,177.94
Paper Cones	5,106.41	5,494.22	2,750.26
Paper Core and Tubes	916.96	1,045.18	475.10
Corrugated Boxes	654.74	367.89	39.35
<b>Total</b>	<b>48,884.90</b>	<b>50,430.74</b>	<b>32,677.37</b>

**Geographies Serves:** The Company serves both domestically and internationally.

**Area Wise Break Up of Revenue (Finished Goods) is as follows:**

(In Lakhs)

Particulars	For financial year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
	Consolidated	Consolidated	Consolidated
Domestic (In Rupees)	45,844.80	48,206.31	29,802.34
Domestic (%)	93.78%	95.59%	91.20%
International (In Rupees)	3,040.10	2,224.43	2,875.03
International (%)	6.22%	4.41%	8.80%
<b>Total</b>	<b>48,884.90</b>	<b>50,430.74</b>	<b>32,677.37</b>

**Key Performance Indicators of Our Company:**

(₹ in Lakhs)

Key Financial Performance	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Revenue from operations <sup>(1)</sup>	49,386.46	50,829.89	32,927.45
EBITDA <sup>(2)</sup>	7,272.10	3,148.87	4,071.90
EBITDA Margin <sup>(3)</sup>	14.72%	6.19%	12.37%
PAT	3,341.80	(26.79)	2,600.23
PAT Margin <sup>(4)</sup>	6.77%	(0.05)%	7.90%
Networth <sup>(5)</sup>	19,904.12	16,562.32	16,589.11
RoE % <sup>(6)</sup>	16.79%	(0.16)%	15.67%
RoCE% (7)	20.84 %	5.88%	12.82%

**Notes:**

(1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Statements

(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income.

(3) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.

(4) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

(5) Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.

(6) Return on Equity is ratio of Profit after Tax and Shareholder Equity

(7) Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term borrowings. Here, EBIT is calculated as Profit before tax + Interest Expenses - Other Income.

**Client Profile or Industries Served:** Paper & Packaging & Manufacturing Industry

**Revenue segmentation in terms of top 5/10 clients or Industries:**

**Percentage of our Top Customers of Total Sales:**

Particulars	For financial year ended on		
	March 31, 2024	March 31, 2023	March 31, 2022
	Consolidated	Consolidated	Consolidated
% wise Top 1 of Total Sales	5.66%	6.18%	8.39%
% wise Top 3 of Total Sales	14.79%	14.18%	21.30%
% wise Top 5 of Total Sales	20.59%	19.61%	31.20%
% wise Top 10 of Total Sales	29.44%	27.62%	38.62%

**Intellectual Property, if any:** As on the date of the Red Herring Prospectus, The Logo of the Company is registered with Trade Mark Registry, Mumbai under Class 16 of Trade Marks Act, 1999.

**Market Share:** Not Ascertainable

**Manufacturing plant:** S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli, Tirunelveli Taluk- 627010, Tamil Nadu, India

**Employee Strength:** 500

BOARD OF DIRECTORS				
Sr. No.	Name	Designation(Independent / Whole time / Executive / Nominee)	Experience & Educational Qualification	Other Directorships
1	Mr. T Balakumar	Managing Director and Chairman	<b>Experience:</b> He has more than 19 years of experience in the Paper Industry. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. <b>Educational Qualification :</b> Bachelor of Mechanical Engineering	Indian Companies: <ul style="list-style-type: none"> <li>• B.M.M. Paper Board Private Limited</li> <li>• Saradhambika Paper and Board Mills Private Limited</li> <li>• Subam Paper And Boards Private Limited</li> <li>• Subam Agro Ventures Private Limited</li> <li>• Sara Texcones Private Limited</li> </ul> Foreign Company: <b>Limited Liability Partnerships</b> Nil
2	Mr. Ramasubbu Venkatesh	Executive Director	<b>Experience:</b> He has more than 8 years of experience in the Paper Industry.He has been responsible for the sales and marketing. <b>Educational Qualification:</b> Bachelor of Technology and Master of Business Administration	Indian Companies: <b>Nil</b> Foreign Company: <b>Nil</b> <b>Limited Liability Partnerships</b> Nil
3	Ms. Sudha Alagarsamy	Non-Executive Director	<b>Experience:</b> She has more than 19 years of experience in the Paper Industry.Currently, as Non-Executive Director, she is responsible for providing strategic advice and guidance to the members of the board. <b>Educational Qualification :</b> Bachelor of Science and Master of Arts	Indian Companies: <ul style="list-style-type: none"> <li>• Saradhambika Paper And Board Mills Private Limited</li> <li>• Sara Texcones Private Limited</li> <li>• B.M.M. Paper Board Private Limited</li> <li>• Subam Paper And Boards Private Limited</li> </ul> Foreign Company: <b>Nil</b> <b>Limited Liability Partnerships</b> Nil
4	Mr. Gurusamy Rathakrishna	Independent Director	<b>Experience:</b> He is a Managing Director in M.T.K. Textiles (P) Limited and has more than 30 years of experience in the field of management, operations and finance. <b>Educational Qualification :</b> Bachelor of Mechanical Engineering	Indian Companies: <ul style="list-style-type: none"> <li>• Shrish Spintex Private Limited</li> <li>• Grass Energies Private Limited</li> <li>• Shreemtk Cotton And Fibers Private Limited</li> <li>• Shree M.T.K. Textiles private limited</li> <li>• Nesina Ventures Private Limited</li> </ul> Foreign Company: <b>Nil</b> <b>Limited Liability Partnerships</b> Nil
5	Mr. Chelladurai Gunasingh Prithiviraj	Independent Director	<b>Experience:</b> He is a Director in Standard Paper Containers Private Limited since 1968 and has more than 55 years of experience in paper industry. <b>Educational Qualification:</b> Bachelor of Science in Zoology and Botany	Indian Companies: <ul style="list-style-type: none"> <li>• Bell Pins Private Limited</li> <li>• Nalco Metal Products Ltd</li> <li>• Bell Products Private Limited</li> <li>• Chellsons Wire Mills Private Limited</li> <li>• Darlingsons Wire Forms Private Limited</li> <li>• The Metal Powder Company Limited</li> <li>• Aluminium Powder Company Limited</li> <li>• Lily Pins Private Limited</li> <li>• Bell Health Care Private Limited</li> <li>• Pandian Chemicals Limited</li> <li>• MDL Industries Limited</li> <li>• Standard Paper Containers Private Limited</li> <li>• Tirunelveli Spun Pipes Private Limited</li> </ul> Foreign Company: <b>Limited Liability Partnerships</b> Nil

For further details in relation to our Board of Directors, see “Our Management” beginning on page 199 of the Red Herring Prospectus

## OBJECTS OF THE ISSUE

### Details of means of finance

The find requirements for each of the objects of the Issue are stated as follows:

(₹ in lakhs)

Sr. No.	Objects of the Issue	Total Estimated Expenditure	Amount Deployed till Date of Filing this Document	Amount to be Financed and deployed from Net Proceeds by the Financial Year ended March 31, 2025
1.	Investment in Subsidiary for Financing its Capital Expenditure requirements	7,500.00	--	7,500.00
2.	General Corporate Purposes*	[●]	--	[●]
	<b>Total</b>	[●]	--	[●]

\*General Corporate Purpose shall not exceed 25% of the Net Issue Proceeds

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issue, if any, of the Company in the preceding 10 years:** Not Applicable

**Name of monitoring agency, if any:** Not Applicable

**Terms of Issuance of Convertible Security:** Not Applicable

Convertible securities being offered by the Company	Not Applicable
Face Value / Issue Price per Convertible Securities	Not Applicable
Issue Size	Not Applicable
Interest on Convertible Securities	Not Applicable
Conversion Period of Convertible Securities	Not Applicable
Conversion Price for Convertible Securities	Not Applicable
Conversion Date for Convertible Securities	Not Applicable
Details of Security created for CCD	Not Applicable

## SHAREHOLDING PATTERN:

Sr. No.	Particulars	Pre-Issue number of shares	% Holding of Pre issue
1.	Promoter and Promoter Group	1,61,93,672	94.81
2.	Public	8,86,398	5.19
	<b>Total</b>	<b>1,70,80,070</b>	<b>100.00</b>

For further details please refer “*Capital Structure*” beginning on page 76 of the RHP

**Number/amount of equity shares proposed to be sold by selling shareholders, if any. :** Not Applicable

## RESTATED AUDITED FINANCIALS

(₹ in Lakhs)

Particulars	For the year ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Total income from operations (Net)	49,697.31	51,062.36	33,259.87
Net Profit/(Loss) before tax and extraordinary items	4,518.73	370.24	3,430.28
Net Profit / (Loss) after tax and extraordinary items	3,341.80	(26.79)	2,600.23
Equity Share Capital	162.77	162.77	162.77
Reserves and surplus	19,741.35	16,399.55	16,426.34
Net Worth	19,904.12	16,562.32	16,589.11
<b>Other Financial Information</b>			
Basic & Diluted EPS (₹) (Post Bonus)	20.53	(0.16)	15.98
Return on Net worth (%)	16.79%	(0.16)%	15.67%
Net Asset Value Per Share (₹) (Post Bonus)	122.29	101.75	101.92

For further details, please refer Chapter “*Financial Statement as Restated*” beginning from page 231 of the Red Herring Prospectus

## INTERNAL RISK FACTORS

The below mentioned risks are top 10 risk factors as per the Red Herring Prospectus:

1. We have certain outstanding litigation against us, an adverse outcome of which may adversely affect our business, reputation and results of operations
2. The availability of raw material, i.e. waste paper is very crucial for our business activities.
3. We have received certain notices from the GST Department indicating huge discrepancies which may translate into Demand against us and potentially harming our business, reputation, and financial performance
4. We highly depend on our major raw materials and a few key suppliers who help us procure the same. Our Company has not entered into long-term agreements with its suppliers for the supply of raw materials. In the event we are unable to procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected.
5. We conduct our business activities on a purchase order basis and therefore have not entered into long-term agreements with our customers.
6. Our business is operating under various laws which require us to obtain approvals from the concerned statutory/regulatory authorities in the ordinary course of business and our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, results of operations and financial condition. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of the approvals are required to be obtained by our Issuer Company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.
7. We have entered into related party transactions in the past and may continue to do so in the future.
8. We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact the results of operations.
9. Our Company has extended corporate guarantee to secure the debt facilities availed by our Wholly Owned Subsidiary.
10. We have certain contingent liabilities as on date of this Red Herring Prospectus that have not been provided for in our Company's financials which if materialized, could adversely affect our financial condition.

For further details please refer the section titled “*Risk Factors*” on page 33 of the RHP

## SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total Number of Outstanding Litigations against the Company and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter	Material Civil Litigations	Aggregate amount involved (₹ in Lakhs)
<b>Company</b>						
By the Company	17	0	0	0	4	1,921.46
Against the Company	0	29	0	0	2	1,668.47
<b>Promoters</b>						
By Promoter	0	0	0	0	0	0
Against Promoter	0	2	0	0	0	0.51
<b>Directors other than Promoters</b>						
By our directors	0	0	0	0	0	0
Against the Directors	0	1	0	0	0	Unascertainable
<b>Subsidiary</b>						
By our subsidiary	0	0	0	0	0	0
Against our subsidiary	0	4	0	0	0	2.65
<b>Group Companies</b>						
By our group company	0	Not applicable	0	0	0	0
Against our group company	0	Not applicable	0	0	1	Unascertainable

**B: Brief details of Top 5 Material Outstanding litigations against the Company and amount involved**

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
1	The MSME Facilitation council has passed an order against the Company for payment of pending dues to the petitioner and the Company had filed the Writ petition No. 18113 of 2022 before the Madurai Bench of Madras High Court to set aside the impugned order and held that the conciliation proceeding to be held again as per the MSMED Act.	Ms. Jayam Papers Chemicals	Pending	136.39
2	Company has received the final Demand Order (DRC-07) dated August 31, 2024 in the matter for Rs.5,57,06,202 on the basis of an audit conducted for the FY 2019-2020. The Company is yet to file an appeal in the matter.	Commercial Tax Officer, Tirunelveli	Pending	557.06
3.	Company has received summary of demand order in DRC -07 dated April 29, 2024 for the FY 2018-19 for the amount Rs.7,40,15,071 penalty towards excess claim of ITC, non - reversal of ITC on Ineligible ITC and certain other issues. Company has filed an Appeal dated June 21, 2024 against the order dated April 29, 2024.	Commercial Tax Officer, Tirunelveli	Pending	740.15
4.	Company has received intimation of demand in DRC -01 A for the FY 2020-21 for the amount Rs. 92,55,633. Company has submitted the reply on January 09, 2023. The final order in the matter is yet to be received	Commercial Tax Officer, Tirunelveli	Pending	92.55
5.	Commercial Original Suit No. 1/2024 was filed by PG Exports LLC before the Principal District Judge, Tirunelveli against the Company for payment of an outstanding amount of Rs. 45,67,478.72 as on August 31, 2020 Our Company has filed a reply to the said plaint contesting the facts and the matter is still pending in the Court	PG Exports LLC, a proprietorship firm of USA	Pending	45.67

- C. Regulatory Action, if any- disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any: **As on the date of this Red Herring Prospectus, there are no outstanding actions by SEBI or stock exchanges against the Promoters, nor any penalties have been imposed in the last five years.**
- D. Brief details of Outstanding criminal proceedings against Promoters : **As on the date of this Red Herring Prospectus, there are no outstanding criminal proceedings initiated against the Promoters of the Company.**

**ANY OTHER IMPORTANT INFORMATION AS PER BOOK RUNNING LEAD MANAGER / ISSUER**

**DECLARATION BY THE COMPANY**

We hereby declare that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, 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 the Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulation issued there under, as the case may be. We further certify that all statements in the Red Herring Red Herring Prospectus are true and correct.