

SAH POLYMERS LIMITED



Our Company was originally incorporated as a public limited company under the name and style of "Peacock Continental Limited" at Udaipur Rajasthan, under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated April 20, 1992 issued by the Registrar of Companies, Jaipur Rajasthan bearing number 17-06657 of 1992-93. We commenced commercial operations pursuant to a Certificate of Commencement of Business dated November 04, 1992. The name of our company was changed to "Sah Polymers Limited". Consequent upon change of name a fresh Certificate of Incorporation dated July 24, 1998 was issued by Registrar of Companies, Jaipur Rajasthan. The Corporate Identification Number of our company is U24201RJ1992PLC006657. For details of the change in the name and the registered office of our Company, see "History and Certain Corporate Matters" on page 147 of the red herring prospectus of the Company dated December 20, 2022 filed with the RoC ("RHP" or "Red Herring Prospectus").

Registered Office: E-260-261 Mewar Industrial Area Madri Udaipur Rajasthan 313003. Tel: +91 294 2493889; Corporate Office: 121, B-Wing, Mittal Tower, Nariman Point, Mumbai- Maharashtra-400021. Tel: +91 22 22042019

Contact Person: Runel Saxena, Company Secretary and Compliance Officer; E-mail: cs@sahpolymers.com; Website: www.sahpolymers.com; Corporate Identity Number: U24201RJ1992PLC006657

OUR PROMOTER: SAT INDUSTRIES LIMITED

INITIAL PUBLIC OFFERING OF UP TO 102,00,000* EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF SAH POLYMERS LIMITED ("OUR COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [•] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ [•] LAKHS ("ISSUE"). THE ISSUE WILL CONSTITUTE [•] % OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL.

* On finalisation of allotment.

The Offer is being made under Regulation 6(2) of the SEBI ICDR Regulations as our Company's track record of average operating profit is less than ₹ 15 Cr., during the preceding three years (of twelve months each).

QIB Portion: Not less than 75% of the Issue | Non-Institutional Portion: Not more than 15% of the Issue | Retail Portion: Not more than 10% of the Issue

Price Band: ₹ 61 To ₹ 65 per Equity Share of Face Value of ₹ 10 each

The Floor Price is 6.1 times the Face Value of the Equity Shares and the Cap Price is 6.5 Times the Face Value of the Equity Shares

Bids can be made for a minimum of 230 Equity Shares and in multiples of 230 Equity Shares thereafter

Risks to Investors:

RISK FACTORS ASSOCIATED WITH OUR COMPANY ARE:

- Name of one of our Promoter group Company viz; Aeroflex Industries Limited., is appearing in the RBI wilful defaulters list issued by CIBIL in relation to default in payment with respect to various facilities availed by the Company in the past.
- We derive significant portion of our revenue from limited number of customers. Revenues generated from sales to our top 10 customers represented 61.72%, 65.83%, 66.57%, and 79.06% of our revenue from operations during the three months period ended June 30, 2022 and for Fiscal 2022, Fiscal 2021 and Fiscal 2020 respectively and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows.
- Our Company has availed unsecured loans from Banks, NBFC, Holding company/Corporate promoter and unrelated third party, which may be recalled on demand. For the three months ended June 30, 2022 and for the financial year ending March 31, 2022, March 31, 2021 and March 31, 2020, our Company has outstanding unsecured loans amounting to ₹ 2420.83 lakhs, ₹ 2019.16 lakhs, ₹ 523.55 lakhs, and ₹ 445.26 lakhs respectively. Our Company's total indebtedness for the reporting period is as mentioned below:

₹ in lakhs

Particulars	Three months ended June 30, 2022*	For the year ended on March 31,		
		2022	2021	2020
Indebtedness	3814.94	3553.85	1786.88	1445.03
Net worth	2774.46	2664.81	2008.75	1881.47

*not annualised

- Our existing and proposed manufacturing facility are concentrated in a single region i.e., Rajasthan and the inability to operate and grow our business in this particular region may have an adverse effect on our business, financial condition, results of operations, cash flows and future business prospects.
- We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.
- We have had experienced negative cash flows from operations in the recent past, and we may have negative cash flows in the future.
- Italica Furniture Private limited, our Group Company and Fibcorp Polyweave Private Limited, our Subsidiary is carrying on business activities similar to our business. This may be a potential source of conflict of interest for us and which may have an adverse effect on our business, financial condition and results of operations.
- The price to earnings ratio on the Issue Price of our Company may not be indicative of the market price of the Equity Shares on listing or thereafter.

Price to Earnings Ratio (based on Fiscal 2022 restated profit after tax for the year and on basic EPS) at the upper end of Price Band (number of times)

38.32[#]

Nifty Fifty
P/E ratio*

22.36

*December 13, 2022. [#]at upper price band post Issue.

- The Weighted Average Cost of acquisition of all Equity Shares transacted in last three years, 18 months and one year preceding the date of the RHP:

Period	Weighted Average Cost of Acquisition (in ₹)	Upper End of the Price Band (₹ 65) is 'X' times the Weighted Average Cost of Acquisition	Range of Acquisition Lowest Price - Highest Price (in ₹)
Last 1 year	N.A.	N.A.	N.A.
Last 18 Months	N.A.	N.A.	N.A.
Last 3 years	N.A.	N.A.	N.A.

Note: The Weighted Average Cost of acquisition of all Equity Shares is not applicable as there has been no acquisition in those reporting period. There are no such transactions to report under for last 5 primary or secondary transactions (secondary transactions where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company, are a party to the transaction), not older than 3 years prior to the date of filing of the RHP, irrespective of the size of transactions.

- Our listed peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates and whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business as at March 31, 2022 .

Particulars	Issuer Company		Name of the Listed Peers Company			
	Sah Polymers Limited	Rishi Techtext Limited	Jumbo Bag Limited	SMVD Poly Pack limited	EMMBI Industries limited	Commercial Syn Bags Limited
Diluted EPS	2.81	1.78	1.27	2.11	10.76	14.64
PE Ratio	23.13*	15.77 [#]	6.46 [#]	7.63 [#]	10.78 [#]	9.65 [#]

* at the upper end of the price band pre issue.

* PE Ratio for the peers has been extracted from www.bseindia.com, www.nseindia.com as on December 20, 2022

11.	Name of BRLM	Total public offers in the past three Fiscal Years	Issues closed below IPO Price on listing date
	Pantomath Capital Advisors Private Limited	8	1

For further details and definitions please refer the RHP.

BID / ISSUE PROGRAMME

ANCHOR INVESTOR BIDDING DATE: THURSDAY, DECEMBER 29, 2022*

BID / ISSUE OPENS ON FRIDAY, DECEMBER 30, 2022

BID / ISSUE CLOSURES ON WEDNESDAY, JANUARY 4, 2023**

*Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Issue Opening Date.

**UPI mandate end time and date shall be 5 p.m. on Bid/Issue Closing Date.

THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE

In case of any revision in the Price Band, the Bid/ Issue Period will be extended by at least 3 (three) additional Working Days after such revision in the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective websites of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

This Issue is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"). This Issue is being made through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Issue shall be allotted on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company may in consultation with the BRLM allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non allocation in the anchor investor portion, the balance equity shares shall be added to the QIB portion. Further, 5% of the QIB Portion (excluding Anchor Investor Portion) (the "Net QIB Portion") shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not more than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Issue Price shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. If at least 75% of the Issue cannot be Allotted to QIBs, then the entire application money shall be refunded forthwith. Further, the allocation to each Non-Institutional Investor shall not be less than ₹ 200,000, subject to availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allocated on a proportionate basis, subject to valid Bids being received at or above the Issue Price, in accordance with the SEBI ICDR Regulations. Further, (a) one third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 200,000 and up to ₹ 1,000,000; and (b) two third of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹ 1,000,000, provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors. All Bidders, other than Anchor Investors, are mandatorily required to participate in the Issue through the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account, or UPI ID (defined hereinafter) in case of UPI Bidders bidding through the UPI Mechanism (defined hereinafter) as applicable pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks or by the Sponsor Bank under the UPI Mechanism (defined hereinafter). Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA Process. For details, see "Issue Procedure" on page 231 of the RHP.

Bidders/Applicants should ensure that DP ID, PAN and the Client ID and UPI ID (for UPI Bidders bidding through UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for UPI Bidders bidding through the UPI mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

ASBA* Simple, Safe, Smart way of Application!!!

*Applications Supported by Blocked Amount ("ASBA") is a better way of applying to offers by simply blocking the fund in the bank account. For further details, check section on ASBA below.

Mandatory in public issues.
No cheque will be accepted.



UPI-Now available in ASBA for UPI Bidders applying through Registered Brokers, DPs and RTAs.

Retail Individual Investors also have the option 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 bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021.

ASBA has to be availed by all the investors except Anchor Investors. UPI may be availed by (i) Retail Individual Bidders in the Retail Portion and (ii) Non-Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion. For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Issue Procedure" on page 232 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. ASBA bid-cum-application forms and the Abridged Prospectus can be downloaded from the websites of BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), the "Stock Exchanges" and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&ntmlid=35 and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&ntmlid=43>, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: www.sebi.gov.in. UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. ICICI Bank Limited has been appointed as the Sponsor Bank for the Issue, in accordance with the requirements of SEBI circular dated November 1, 2018 as amended. For Issue related queries, please contact the Book Running Lead Manager ("BRLM") on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail id: ipo.upi@npci.org.in.

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BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager, on the basis of an assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue Price is 6.1 times the Floor price and 6.5 times the Cap price of the Price band.

Investors should also refer to the sections titled “Risk Factors”, “Financial Information”, “Our Business” and “Management Discussion and Analysis” on pages 26, 173, 126 and 177 respectively of the RHP, to have a more informed view before making an investment decision.

QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the Issue Price are:

- (a) Diverse product portfolio with focus on quality; (b) Experienced management and dedicated employee base; (c) Diversified customer base across geographies and industries.

For further details, refer to heading “Our Competitive Strengths” under the chapter titled “Our Business” on page 127 of the RHP.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the Restated Standalone and Consolidated Financial Information of the Company for the three months ended June 30, 2022 and for the Financial Years 2022, 2021 and 2020 prepared in accordance with Ind AS, the Companies Act, 2013 and restated in accordance with SEBI ICDR Regulations. For details, refer section titled “Financial Information” on page 173 of the RHP.

Some of the quantitative factors, which may form the basis for computing the Issue Price, are as follows:

(a) Basic and Diluted Earnings per Share (“EPS”) at face value of ₹ 10 each, as adjusted for changes in capital:

As per Restated Ind AS Financial Information:

For the Year/Period ended	Basic and diluted EPS (₹)	Weight
March 31, 2022	2.81	3
March 31, 2021	0.82	2
March 31, 2020	0.19	1
Weighted average	1.71	
Three months ended on June 30, 2022*	0.80	

*Not Annualised

Notes:-

- (A) Basic Earnings per share = Net profit/ (loss) after tax for the year/period, as restated attributable to equity shareholders/Weighted average number of equity shares outstanding during the year/period.
- (B) Diluted Earnings per share = Net profit after tax for the year/period, as restated attributable to equity shareholders / Weighted average number of potential equity shares outstanding during the year/period.
- (C) Weighted average EPS = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each fiscal]/ [Total of weights].
- (D) Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/ year adjusted by the number of Equity Shares issued during the period/ year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/ year.
- (E) Earnings per share calculations are in accordance with the notified Indian Accounting Standard 33“Earnings per share”.
- (F) Basic and Diluted Earnings per Share above for the three months ended June 30, 2022 and financial year 2022 are based on the restated consolidated financial information while those for financial year 2021 and 2020 are based on the restated standalone financial information.

(b) (Price to Earnings (P/E) ratio in relation to Price Band of ₹ 61 to ₹ 65 per Equity Share of face value of ₹ 10 each fully paid up

Particulars	P/E Ratio on Floor Price	P/E on Cap Price
P/E ratio based on Basic EPS for the financial year 2021-22	21.71	23.13
P/E ratio based on Diluted EPS for the financial year 2021-22	21.71	23.13
Industry Peer Group P/E ratio		
Highest		18.70
Lowest		6.59
Average		11.36

Note-The highest and lowest industry P/E has been considered from the industry peer set provided later in this advertisement. The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed in this chapter. For further details, see “ – Comparison of Accounting Ratios with Listed Industry Companies” on point e of this advertisement.

(c) Return on Net worth (RoNW)

As per Restated Ind AS Financial Information:

Year/Period ended	RoNW (%)	Weight
March 31, 2022	16.42%	3
March 31, 2021	6.33%	2
March 31, 2020	1.58%	1
Weighted average	10.58%	
Three months ended on June 30, 2022*	4.51%	

*Not Annualized

Notes:

- (A) Return on Net Worth (%) = Net Profit after tax attributable to equity shareholders, as restated / Net worth as restated as at year end.
- (B) Weighted average RoNW = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.
- (C) Net worth is aggregate value of the paid-up share capital of the Company and other equity, excluding revaluation reserves if any, as per Restated Standalone and Consolidated Financial Informations.

(d) Net Asset Value (NAV) per Equity Share of Face Value of ₹ 10 each as per Restated Ind AS Financial Information:

Particulars	₹ per Equity Share
Net Asset Value per Equity Share as on March 31, 2022	17.09
Net Asset Value per Equity Share as on June 30, 2022*	17.79
Net Asset Value per Equity Share after the Issue- At Floor Price	34.88
Net Asset Value per Equity Share after the Issue - At Cap Price	36.46
Issue Price per equity share	●

*Not Annualized

Notes:

- (A) Issue Price per Equity Share will be determined on conclusion of the Book Building Process.
- (B) Net Asset Value Per Equity Share = Restated net worth, attributable to equity holders of the Company at the end of the year/period. / Number of equity shares outstanding as at the end of year/period.

(e) Comparison of Accounting Ratios with Listed Industry Companies:

Our Company is engaged in FIBC, bulk bag and packaging industry. We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates and whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

Name of the Company	Closing price on December 13, 2022 (₹)	Basic EPS	Diluted EPS	P/E Ratio	RONW (%)	NAV ₹ (per share)	Face Value ₹ (per share)	Market cap (₹ in Lakhs)	Total Income (₹ in Lakhs)
Sah Polymers Limited	●	2.81	2.81	●	16.42%	17.09	10.00	●	8,123.45
Peer-Group									
Rishi Techtext Limited	26.00	1.78	1.78	15.77	4.46%	39.76	10.00	1921.66	10,108.44
Jumbo Bag Limited	23.80	1.27	1.27	6.46	2.86%	38.01	10.00	1992.94	13,113.80
SMVD Poly Pack Limited	17.10	2.11	2.11	7.63	4.54%	46.41	10.00	849.08	8,629.99
EMMBI Industries Limited	94.65	10.76	10.76	10.78	12.35%	86.71	10.00	16743.82	43,572.60
Commercial Syn Bags Limited	101.95	15.48	14.64	9.65	17.62%	85.22	10.00	12644.25	32,620.40

*Issue Price of our Company is considered as CMP.

**Source: www.bseindia.com, www.nseindia.com

Notes:

- i. Considering the nature, range of products/services, turnover and size of business of the Company, the peers are not strictly comparable. However, above Companies have been included for broad comparison.
- ii. The figures for Sah Polymers Limited are based on the Restated Consolidated and Standalone Financial Information for the year ended March 31, 2022.
- iii. The figures for the peer group are sourced from the annual audited financial results for the year ended March 31, 2022 filed with both the stock exchanges on standalone and Consolidated basis.
- iv. Current Market Price (CMP) is the closing price of the peer group scrip as on December 13, 2022 on BSE Ltd. and NSE Ltd.
- v. NAV is computed as the closing net worth divided by the closing outstanding number of equity shares. Net worth has been computed as the aggregate of share capital and other equity (excluding Revaluation Reserves, if any) and as attributable to the owners of the Company.
- vi. PE Ratio for the peer has been extracted from www.bseindia.com, www.nseindia.com is based on December 20, 2022.
- vii. RoNW is computed as net profit after tax, as attributable to the owners of the Company divided by closing net worth. Net worth has been computed as the aggregate of share capital and other equity (excluding Revaluation Reserves, if any) and as attributable to the owners of the Company.
- viii. Sah Polymers Limited's IPO is a Book Built Issue and price band for the same shall be published 2 working days before opening of the Issue in English and Hindi national newspapers and one regional newspaper with wide circulation.
- ix. The price band/floor price/Issue Price shall be determined by the company in consultation with the BRLM on the basis of assessment of market demand from investors for the equity shares by way of Book Building and is justified based on the above qualitative and quantitative parameters.

For further details see section titled “Risk Factors” on page 26 of the RHP and the financials of the Company including profitability and return ratios, as set out in the section titled “Financial Information” on page 173 and the “Management Discussion and Analysis” on Page 177 of the RHP for a more informed view.

(f) Some of the key performance indicators (KPIs) which may form the basis for computing the Offer Price are as follows:

(₹ in lakhs except percentages and ratios)

Key Performance Indicators	30-06-2022**	31-03-2022*	31-03-2021*	31-03-2020*
Revenue from Operations ⁽¹⁾	2,722.31	8,051.14	5,506.99	4,910.07
Gross Profit ⁽²⁾	793.00	2,418.67	1,655.51	1,567.69
Gross Margin ⁽³⁾	29.13%	30.04%	30.06%	31.93%
EBITDA ⁽⁴⁾	236.04	773.40	329.71	261.31
EBITDA Margin ⁽⁵⁾	8.67%	9.61%	5.99%	5.32%
Profit After Tax for the Year / Period	125.13	437.54	127.23	29.67
PAT Margin ⁽⁶⁾	4.60%	5.43%	2.31%	0.60%
ROE ⁽⁷⁾	4.51%	16.42%	6.33%	1.58%
ROCE ⁽⁸⁾	0.04	0.14	0.10	0.09
Net Debt/ EBITDA ⁽⁹⁾	1.19	1.15	0.69	0.55

*Not Annualised

* As certified by M/s. H. R Jain & Co, Chartered Accountants vide their certificate dated December 13, 2022.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated December 13, 2022

Explanation for the Key Performance Indicators

- 1. Revenue from operations: Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company.
- 2. Gross Profit is calculated as revenues from operations less cost of goods sold.
- 3. Gross margin is calculated as revenue from operations less cost of goods sold divided by revenues from operations.
- 4. EBITDA Means Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back finance costs, depreciation, and amortisation and impairment expense.
- 5. EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations.
- 6. PAT Margin is calculated as restated profit after tax for the year / period as a percentage of revenue from operations.
- 7. ROE is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by total equity (total equity excludes non-controlling interest). The ROE is not annualised for the three months ended June 30, 2022.
- 8. ROCE is calculated as EBITDA divided by capital employed. The ROCE is not annualised for three months ended June 30, 2022.
- 9. Net Debt/ EBITDA: Net Debt to EBITDA is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA. It shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.

Notes:

The above KPI's from March 2022 represents the consolidated figures post acquisition of 27,884 Equity Shares by way of transfer and 6000 equity shares by way of Rights issue constituting 51.01% of the equity Share Capital of Fibcorp Polyweave Private Limited on January 05, 2022. By virtue of the transaction Fibcorp Polyweave Private Limited has become our Subsidiary with effect from January 05, 2022

For further details, please see the chapter titled “BASIS FOR ISSUE PRICE” beginning on page 109 of the RHP.

For further details, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 177 of the RHP.

Further, for details on key performance indicators which are not considered for basis of Offer price, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Key Performance Indicators and Non-GAAP Financial Measures” on page 177 of the RHP

h) Comparison the Key Performance Indicators with our listed peers:

(₹ in lakhs except %) (As on March 31, 2022)

Key Performance Indicators	Sah Polymers Limited*	Peer-Group				
		Rishi Techtext Limited	Jumbo Bag Limited	SMVD Poly Pack Limited	EMMBI Industries Limited	Commercial Synbag Limited
Revenue from Operations ⁽¹⁾	8,051.14	10,085.75	13,056.50	8,624.13	43,562.20	32,158.0
EBITDA ⁽²⁾	773.40	634.89	983.92	694.22	4920.8	3487.65
EBITDA Margin ⁽³⁾	9.61%	6.29	7.54	8.05	11.30	10.85%
Profit After Tax for the Year / Period	437.54	131.85	106.09	104.63	1,903.30	1,818.28
PAT Margin ⁽⁴⁾	5.43%	1.30%	0.81%	1.21	5.92%	5.65
ROE ⁽⁵⁾	16.42%	17.83%	3.35%	4.65	12.41	0.20%
ROCE ⁽⁶⁾	0.14	10.55	14	9.07	14.45	0.15
Net Debt/ EBITDA ⁽⁷⁾	1.15	0.98	2.61	1.40	0.94	0.69

Source: Annual Reports of the respective companies / www.bseindia.com/www.nseindia.com

Notes:

- 1) Revenue from operations: Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company.
- 2) EBITDA Means Earnings before interest, taxes, depreciation and amortisation expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back finance costs, depreciation, and amortisation and impairment expense.
- 3) EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations.
- 4) PAT Margin is calculated as restated profit after tax for the year / period as a percentage of revenue from operations.
- 5) ROE is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by total equity (total equity excludes non-controlling interest).
- 6) ROCE is calculated as EBITDA divided by capital employed.
- 7) Net Debt/ EBITDA: Net Debt to EBITDA is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA. It shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant

i) Weighted average cost of acquisition (“WACA”), floor price and cap price

Past transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Floor price in ₹ 61	Cap price in ₹ 65
1. Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/ employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of the RHP, 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-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	N.A.*	N.A.	N.A.
2. Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity/convertible securities), where promoter / promoter group entities or Selling Shareholders 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 filing of the RHP, 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-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	N.A.**	N.A.	N.A.

* The price per share of the Company based on the primary/ new issue of shares (equity/ convertible securities)

The Company has not issued any 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 our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

** The price per share of the 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 Promoter, members of the Promoter Group or Shareholder(s) having the right to nominate Director(s) on our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of the 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 ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

There are no such transactions to report under for last 5 primary or secondary transactions (secondary transactions where promoter / promoter group entities or shareholder(s) selling shares through offer for sale in IPO or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company, are a party to the transaction), not older than 3 years prior to the date of filing of the RHP, irrespective of the size of transactions.

The Issue price is ● times of the face value of the Equity Shares The Offer Price of ₹ ● is has been determined by our Company, in consultation with the BRLM, on the basis of market demand from investors for Equity Shares 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’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information” on pages 26, 126, 177 and 173 of the RHP, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” on page 26 of the RHP and you may lose all or part of your investment.

j) The Audit Committee pursuant to its meeting has recommended that the price band is justified based on giving quantitative factors and quantitative factors and KPIs, set out in “Basis for Issue Price” on page 109 of the RHP.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE	COMPANY SECRETARY AND COMPLIANCE OFFICER
 Pantomath Capital Advisors Private Limited 406-408, Keshava Premises, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Tel: +91 22 61946700; Email: ipo@pantomathgroup.com Investor Grievance Email: ipo@pantomathgroup.com; Website: www.pantomathgroup.com Contact Person: Bharti Ranga/Punam Thadeshwar; SEBI Registration No: INM000012110	 Link Intime India Private Limited C 101, 247 Park, L.B.S. Marg Vikhroli (West), Mumbai - 400 083, Maharashtra, India Tel: +91 22 4918 6200; Email: Sahpolymers.ipo@linkintime.co.in Investor grievance Email: Sahpolymers.ipo@linkintime.co.in Website: www.linkintime.co.in; Contact person: Shanti Gopalkrishnan; SEBI Registration no: INR000004058	Runel Saxena SAH POLYMERS LIMITED E-260-261, Mewar, Industrial Area, Madri, Udaipur (Raj.)-313003 Tel: +91 294 2493889; Email: cs@sahpolymers.com; Website: www.sahpolymers.com Bidders are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of funds by electronic mode etc.

AVAILABILITY OF RHP: Investors are advised to refer to the RHP and the “Risk Factors” beginning on page 26 of the RHP before applying in the Issue. A copy of the RHP will be made available on the website of the SEBI at www.sebi.gov.in, the website of the BRLM, Pantomath Capital Advisors Private Limited at www.pantomathgroup.com and the websites of the Stock Exchanges, for BSE at www.bseindia.com and for NSE at www.nseindia.com.

AVAILABILITY OF BID CUM APPLICATION FORM: Bid cum Application Form can be obtained from the Registered Office of Company, SAH POLYMERS LIMITED: Tel: +91 294 2493889; BRLM: Pantomath Capital Advisors Private Limited, Tel: +91 22 61946700; Syndicate Member: Pentagon Stock Brokers Private Limited (formerly known as Pantomath Stock Brokers Private Limited), Tel: +91 22 42577000 and at selected locations of Sub-Syndicate Members (as given below), Registered Brokers, SCSBs, Designated RTA Locations and Designated CDP Locations for participating in the Offer. Bid cum Application Forms will also be available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and at all the Designated Branches of SCSBs, the list of which is available on the websites of the Stock Exchanges and SEBI.

SUB-SYNDICATE MEMBERS: Anand Rathi Share & Stock Brokers Limited, Axis Capital Limited, Centrum Broking Limited, HDFC Securities Limited, ICICI Securities Limited, JM Financial Limited, Keynote Capitals Limited, Kotak Securities Limited, LKP Securities Limited, Motilal Oswal Financial Services Limited, Prabhudas Liladher Private Limited, Pravin Ratilal Share and Stock Brokers Limited and SMC Global Securities Limited.

BANKER(S) TO THE ISSUE / ESCROW COLLECTION BANK(S), PUBLIC ISSUE ACCOUNT ISSUE, REFUND BANK AND SPONSOR BANK: ICICI Bank Limited.

UPI: UPI Bidders can also Bid through UPI Mechanism.

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

For SAH POLYMERS LIMITED

On behalf of the Board of Directors

Sd/-

Runel Saxena

Company Secretary & Compliance Officer

Place: Udaipur

Date: December 23, 2022

SAH POLYMERS LIMITED is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed a draft red herring prospectus dated April 21, 2022 (the “DRHP”) and has filed the red herring prospectus dated December 20, 2022 with the RoC (the “RHP”). The DRHP and RHP shall be made available on the website of the SEBI at www.sebi.gov.in as well as on the website of the BRLM i.e., Pantomath Capital Advisors Private Limited at www.pantomathgroup.com, the website of the National Stock Exchange of India Limited at www.nseindia.com and the website of the BSE Limited at www.bseindia.com. Any potential investor should note that investment in equity shares involves a high degree of risk and for details relating to such risks, see “Risk Factors” beginning on page 26 of the RHP. Potential investors should not rely on the DRHP for any investment decision.

This Announcement has been prepared for publication in India and may not be released in the United States. This announcement does not constitute an offer of Equity Shares for sale in any jurisdiction, including the United States, and the Equity Shares offered in the Offer may not be offered or sold in the United States in absence of registration under the U.S. Securities Act of 1933 or an exemption from registration. Any public offering of the Equity Shares to be made in the United States will be made by means of a prospectus that may be obtained from the Company and that will contain detailed information about the Company and management, as well as financial statements. However, the Equity Shares offered in the Offer are not being offered or sold in the United States.