

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**FOR THE ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY.**

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated October 14, 2024 (“**Letter of Offer**”), which is available on the websites of the Registrar, our Company and the Stock Exchange where the Equity Shares of our Company are listed, i.e., Emerge Platform of National Stock Exchange of India Limited (the “**NSE Emerge**” or “**Stock Exchange**”). You are encouraged to read greater details available in the Letter of Offer. Capitalized terms not specifically defined herein shall have the meaning ascribed to them in the Letter of Offer.

THIS ABRIDGED LETTER OF OFFER CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Our Company has made available on the Registrar’s website www.bigshareonline.com and the Company’s website at www.ushanti.com, the Abridged Letter of Offer, along with the Rights Entitlement Letter and Application Form, to the Eligible Equity Shareholders. You may also download the Letter of Offer from the websites of the Company, the Securities and Exchange Board of India (“**SEBI**”), the Stock Exchange and the Registrar, i.e., www.ushanti.com, www.sebi.gov.in, www.nseindia.com, and www.bigshareonline.com, respectively. The Application Form is available on the website of our Company and NSE. In accordance with Regulation 76 of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Kindly note that Non-Resident Investors can apply through ASBA mode only. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see “*Terms of the Issue - Procedure for Application through the ASBA Process*” on page 108 of the Letter of Offer.

**USHANTI COLOUR CHEM LIMITED**

Registered Office: 88/8 GIDC, Phase I, Vatva, Ahmedabad- 382445, Gujarat, India **Tel. No.:** 079-25833315;

Fax No.: Not Available **Contact Person:** Ms. Vishakha Tanwar, Company Secretary and Compliance Officer

Email: admin@ushanti.com; **Website:** www.ushanti.com

Corporate Identification Number: L24231GJ1993PLC019444

PROMOTERS OF OUR COMPANY: MR. MAUNAL SHANTILAL GANDHI AND MR. MINKU SHANTILAL GANDHI**ISSUE DETAILS, LISTING AND PROCEDURE**

ISSUE OF UPTO 5,35,085 EQUITY SHARES WITH A FACE VALUE OF ₹10 EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 55 EACH INCLUDING A SHARE PREMIUM OF ₹ 45 (RUPEE FORTY FIVE ONLY) PER RIGHT EQUITY SHARE (“ISSUE PRICE”) FOR AN AGGREGATE AMOUNT OF UPTO ₹ 294.30 LACS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 05 RIGHTS EQUITY SHARES FOR EVERY 100 FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON OCTOBER 11, 2024 (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES 5.5 TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, SEE “TERMS OF THE ISSUE” ON PAGE 94 OF THIS LETTER OF OFFER.

The existing Equity Shares are listed on Emerge Platform of National Stock Exchange of India Limited (“**NSE**”) (the “**NSE Emerge**”). Our Company has received ‘In-Principle’ approval from NSE for listing of the Rights Equity Shares to be allotted pursuant to this Issue vide their letter dated April 24, 2024. For the purpose of this Issue, the Designated Stock Exchange is NSE.

Procedure: If you wish to know about processes and procedures applicable to a rights issue, you may refer to the section titled “*Terms of the Issue*” on page 95 of the Letter of Offer. You may download a copy of the Letter of Offer from the websites of our Company, SEBI, NSE and Registrar.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company, incorporated under Companies Act, 1956. The Equity Shares of our Company are presently listed on NSE Emerge. We are eligible to undertake the Issue in terms of Chapter III of the SEBI ICDR Regulations. Pursuant to Clauses (1) of Part B of Schedule VI to the SEBI ICDR Regulations, our Company is required to make disclosures in accordance with Part B of Schedule VI to the SEBI ICDR Regulations.

MINIMUM SUBSCRIPTION

Our Promoters and Promoter Group has, vide letters dated January 01, 2024 (the “**Intention Letters**”) informed us that they subscribe to their entitlements arising out of the proposed Rights Issue and also may apply for additional right shares in this issue. **Minimum subscription is not applicable for the proposed Rights Issue.** Pursuant to regulation 86(1) of the SEBI ICDR Regulations.

INDICATIVE TIMETABLE

Issue Opening Date	Monday,	Date of Allotment/ Initiation of Refunds (on	Monday,
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	November 04, 2024	or about)	December 02, 2024
Last Date for On Market Renunciation [#]	Monday, November 18, 2024	Date of credit of Equity Shares to demat account of Allottees (on or about)	Thursday, December 05, 2024
Issue Closing Date*	Monday, November 25, 2024	Date of listing / Commencement of trading of Equity Shares on the Stock Exchange (on or about)	Wednesday, December 11, 2024
Finalising the basis of allotment with the Designated Stock Exchange (on or about)	Friday, November 29, 2024		

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date.

** Our Board will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

NOTICE TO INVESTORS

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and the Letter of Offer, the Abridged Letter of Offer, the Application Form, the Rights Entitlement Letter and other applicable Issue material (collectively, the “**Issue Materials**”) will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address and who are located in jurisdictions where the offer and sale of the Rights Entitlement and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any Issue Materials. Further, the Letter of Offer will be provided through e-mail by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to Registrar and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company and the Stock Exchange, subject to the applicable law. Our Company shall also endeavour to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our Company. Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended (“Securities Act”), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (“United States” or “U.S.”) or to, or for the account or benefit of, “U.S. persons” (as defined in Regulations under the Securities Act (“Regulations”), except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Rights Equity Shares referred to in the Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Rights Equity Share and/ or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which the Letter of Offer and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights. Accordingly, the Letter of Offer / Abridged Letter of Offer, Rights Entitlement Letter and Application Form should not be forwarded to or transmitted in or into the United States at any time.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Rights Equity Shares in the Issue 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 Letter of Offer. Specific attention of the investors is invited to the section titled “*Risk Factors*” on page 20 of the Letter of Offer.

Name of the Registrar to the Issue and contact details

BIGSHARE SERVICES PRIVATE LIMITED

Address: Office No. S6-2, VI Floor, Pinnacle Business Park, Mahakali Caves Road, Andheri (E), Mumbai-400093

Telephone: +91-022-62638200 | **Fax:** +91-022-62638299

Email: rightsissue@bigshareonline.com

Investor Grievance: investor@bigshareonline.com

Website: www.bigshareonline.com

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	Contact person: Mr. Suraj Gupta SEBI Registration No: INR000001385
Name of the Statutory Auditors	M/s. DJNV & Co, Chartered Accountants
Self-Certified Syndicate Banks (“SCSBs”)	The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes . On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.
Banker to the Issue	Axis Bank Limited Address: Axis House”, 6th Floor, C-2, Wadia International Centre,, Pandurang Budhkar Marg, Worli, Mumbai - 400 025, Maharashtra, India. Telephone number: (Direct) 022 24253672 E-mail: vishal.lade@axisbank.com Website: www.axisbank.com Contact Person: Vishal M. Lade SEBI Registration Number: INBI00000017 Corporate Identity Number (CIN): L65110GJ1993PLC020769

SUMMARY OF BUSINESS

Our Company is in the business of manufacturing and trading of various colours of dyestuffs since 1993 till 2013. After getting permission for manufacturing of CPC Blue Crude dyestuff and witnessing the growing demand of our CPC Blue product our Company decided to focus into business of manufacturing on one specific product type and specialise in it. Our Company manufactures reactive and direct dyestuffs also known as Synthetic Organic Dyes with an integrated production process. The company also manufactures Copper Phthalocyanine, Blue Cued which are one of the major raw materials used for manufacturing of Dyestuffs. The pigment and dyestuffs manufactured by us caters to the raw material requirement of textile, garment, cotton, leather, nylon, paper, wool, ink, wood, plastic and paint industries. We concentrate in manufacturing “Turquoise Blue” Dyestuffs and Pigments. The Company has 3 manufacturing facilities situated together at Vatva GIDC in Gujarat. The facilities are spread over 2,739 sq. meters in total area. Our company also has its own Ice generation machinery, further it recovers Ammonium Carbonate from its effluent stream which are reused in the plant as well as sold to the Soda Ash Industry reducing wastage giving us incremental revenue. The Company currently has a production capacity of approx. 2,520 tons per annum. The manufacturing facilities are equipped with requisite machineries to keep a constant check on quality. The company is an ISO 9001:2015 certified company certifying the quality of the product our company manufactures. For further details, please refer to the section titled “Our Business” beginning on page 61 beginning of this Letter of Offer.

OBJECTS OF THE ISSUE**Requirement of Funds**

The details of objects of the Issue are set forth in the following table:

(₹ in Lakhs)

Particulars	Amount
Gross Proceeds from the Issue [#]	294.30
Less: Estimated Issue related Expenses	25.50
Net Proceeds from the Issue*	268.80

#Subject to the finalization of the basis of Allotment and the allotment of the Rights Equity Shares. The amount utilized for general corporate purposes shall not exceed 25% of the Issue Proceeds.

**Assuming full subscription and Allotment of the Rights Equity Shares.*

Utilization of Net Proceeds

Our Company intends to utilize the Net Proceeds for the following objects:

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1.	To augment the existing and incremental working capital requirement of our company	195.55
2.	General Corporate Purposes [#]	73.25
	Total Net Proceeds*	268.80

#The amount to be utilized for General corporate purposes will not exceed 25.00% of the Gross Proceeds;

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*Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

Means of finance

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75.00% of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue.

Deployment of funds

Sr. No.	Particulars	Amount to be deployed from Proceeds	Net	Estimated deployment of Net Proceeds for the Financial Year ending March 31, 2025
1.	To augment the existing and incremental working capital requirement of our company	195.55		195.55
2.	General Corporate Purposes [#]	73.25		73.25
	Total Net Proceeds*	268.80		268.80

Monitoring Agency

As the net proceeds of the Issue shall not exceed ₹10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

For more details, please refer to the chapter titled “*Objects of the Issue*” on page 42 of the Letter of Offer.

EQUITY SHAREHOLDING PATTERN OF THE COMPANY AS ON DATE OF THE LETTER OF OFFER

The statement of the shareholding pattern of our Company as on March 31, 2024, as included in the Letter of Offer is as follows:

Category of Shareholder	Pre-Issue number of Equity Shares held	Total as a % of Total Voting right
(A) Promoter & Promoter Group	72,61,700	67.86
(B) Public	34,40,000	32.14
Grand Total	1,07,01,700	100.00

For more details, please refer to the chapter titled “*Capital Structure*” on page 48 of the Letter of Offer.

BOARD OF DIRECTORS			
Sr. No.	Name	Designation	Other Directorships
1.	Mr. Maunal Shantilal Gandhi	Joint Managing Director	01
2.	Mr. Minku Shantilal Gandhi	Joint Managing Director	01
3.	Mrs. Hanisha Jinish Patel	Independent Director	01
4.	Mrs. Purvi Tapan Trivedi	Independent Director	Nil
5.	Mr. Tejas Pravinkumar Shah	Independent Director	Nil

For more details, see the chapter titled “*Our Management*” on page 72 of the Letter of Offer.

FINANCIAL INFORMATION

A summary of the consolidated financial information of our Company as at and for the Financial Years ended on March 31, 2024 is set out below:

(₹ in lakhs)

Sr. No.	Particulars	For the financial year ended March 31, 2024
1.	Total Income from operations (net)	4,258.80
2.	Net Profit/(Loss) before Tax and extraordinary items	187.05
3.	Profit/(Loss) after Tax and extraordinary items	134.13
4.	Equity Share Capital	10,70.17
5.	Reserves and Surplus	4,119.04

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6.	Net Worth	5,189.21
7.	Basic earnings per share	1.28
8.	Diluted earnings per share	1.28

INTERNAL RISK FACTORS

The below mentioned risks are the top five risk factors as per the Letter of Offer:

- We specialise in only 1 product type, i.e., Blue colour Dyes.*
- Our products use raw materials, prices of which have been very volatile in past.*
- Presently our major focus of revenue is on the sale of Blue Dyestuffs and any decrease in the demand for them will adversely affect our business.*
- Intense competition from China may affect our business adversely.*
- We are subject to various laws and regulations relating to the handling and disposal of hazardous materials and wastes. If we fail to comply with such laws and regulations, we can be subjected to prosecution, including imprisonment and fines or incur costs that could have a material adverse effect on the success of our business.*

For further details, see the section “Risk Factors” on page 20 of the Letter of Offer.

SUMMARY OF OUTSTANDING LITIGATION, CLAIMS AND REGULATORY ACTION

A summary of the pending tax proceedings and other material litigations involving our Company is provided below:

Nature of cases	Number of cases	Amount involved (₹ in Lacs)
Litigations involving our Company		
Litigation Involving Actions by Statutory/Regulatory Authorities	Nil	Nil
Litigation involving Tax Liabilities	01	0.94
Proceedings involving issues of moral turpitude or criminal liability on the part of our Company	Nil	Nil
Proceedings involving Material Violations of Statutory Regulations by our Company	Nil	Nil
Matters involving economic offences where proceedings have been initiated against our Company	Nil	Nil
Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company	Nil	Nil
Litigation involving our Directors, Promoters and Promoter Group	Nil	Nil
Litigation involving our Group Companies	Nil	Nil

For further details in relation to the pending litigation involving our Company, see section “Outstanding Litigations, Defaults and Material Developments” on page 85 of the Letter of Offer.

TERMS OF THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (Hereafter referred to as “SEBI Rights Issue Circular”) and SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011, the SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 (Collectively hereafter referred to as “ASBA Circulars”), all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, see “Terms of the Issue - Application on Plain Paper under ASBA Process” on page 94 of the Letter of Offer.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “Terms of the Issue -Application on Plain Paper under ASBA Process” on page 94 of the Letter of Offer. In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (a) the demat accounts of the Resident Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (b) a demat suspense escrow account (namely, “M/s. Ushanti Colour Chem Limited Right

Issue Escrow Entitlement Demat Account”) suspense account name is M/s Ushanti Colour Chem Limited –Unclaimed Securities suspense Account opened by our Company, for the Resident Eligible Equity Shareholders which would comprise Rights Entitlements relating to (i) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or (ii) Equity Shares held in the account of IEPF authority; or (iii) The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (iv) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (v) Credit of the Rights Entitlements returned/ reversed/ failed; or (vi) The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable .

In accordance with the SEBI Rights Issue Circular, the Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e., Thursday, November 21, 2024, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.

Application by Resident Eligible Equity Shareholders holding Equity Shares in physical form:

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Such resident Eligible Equity Shareholders must check the procedure for Application by and credit of Rights Equity Shares in “Terms of the Issue - *Procedure for Application by Eligible Equity Shareholders Holding Equity Shares In Physical Form*” on page 94 of the Letter of Offer.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 05 Rights Equity Share for every 100 Equity Share held on the Record Date.

Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of 05 Rights Equity Share for every 100 Equity Share held on the Record Date. For Rights Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than or not in the multiple of 5, the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored as above will be given preferential consideration for the Allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares over and above their Rights Entitlement.

Procedure for Renunciation of Rights Entitlements

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges; or (b) through an off - market transfer, during the Renunciation Period. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. Our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE. THE REGISTRAR AND OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS.

a) On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN: INE00NI01015 subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time. The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 100 Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., Monday, November 04, 2024 to Monday, November 18, 2024 (both days inclusive). The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN: INE00NI01015 and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

b) Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date. The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: INE00NI01015, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account. The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

Additional Rights Equity Shares

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. The Rights Entitlements comprise of 1 Rights Equity. Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section “*Basis of Allotment*” on page 119 of the Letter of Offer.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialised Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, Such Eligible Equity Shareholders, where the dematerialised Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process. In accordance with the SEBI Rights Issue Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e., Tuesday, November 21, 2024, desirous of subscribing to Rights Equity Shares may also apply in this Issue during the Issue Period through ASBA mode. Such resident Eligible Equity Shareholders must check the procedure for Application in “*Terms of the Issue - Procedure for Application by Eligible Equity Shareholders Holding Equity Shares in Physical Form*” on page 94 of the Letter of Offer.

Intention and extent of participation by our Promoters and Promoter Group in the Issue

Out of our Promoter and Promoter Group, their letter dated 01st January, 2024, have given their confirmation regarding their intention to subscribe to this Rights Issue jointly and / or severally. However, the other promoters and members of the promoter group have not given their assent/dissent regarding their intention to subscribe in this issue. In the event the Promoter decides to renounce its Right Entitlement in the favour of third party, minimum subscription criteria provided under regulation 86(1) of the SEBI ICDR Regulations shall apply.

Availability of offer document of the immediately preceding public issue or rights issue for inspection.

The Letter of Offer filed in respect of the Right Issue of equity shares of our Company is available and is uploaded on its website for inspection in compliance with SEBI ICDR Regulations.

ANY OTHER IMPORTANT INFORMATION AS PER THE COMPANY**PROCEDURE FOR APPLICATION**

In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circular and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or the optional mechanism. Further, the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date can apply for this Issue through ASBA facility. For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, see “*Terms of the Issue - Procedure for Application by Eligible Equity Shareholders Holding Equity Shares In Physical Form*” on page 94 of the Letter of Offer. Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.bigshareonline.com) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on the website of our Company (i.e., www.ushanti.com). The Application Form can be used by the Investors, Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account. Investors may accept this Issue and apply for the Rights Equity Shares (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts and make online payment using the internet banking or UPI facility from their own bank account thereat. Prior to making an Application, such Investors should enable the internet banking or UPI facility of their respective bank accounts and such Investors should ensure that the respective bank accounts have sufficient funds. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or (ii) the requisite internet banking or UPI details.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected. Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN could lead to rejection of the Application. For details see “*Grounds for Technical Rejection*” on page 115 of the Letter of Offer. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “*Application on Plain Paper under ASBA Process*” on page 110 of the Letter of Offer.

Procedure for Application through the ASBA process

Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to https://www.sebi.gov.in/sebiweb/other/Other_Action.do?doRecognisedFpi=yes&intmId=34. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link. Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Application on Plain Paper under ASBA process

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any address outside India. Alternatively, Eligible Equity Shareholders may also use the Application Form available online on the websites of our Company, the Registrar to the Issue, the Stock Exchange to provide requisite details. Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

PLEASE NOTE THAT APPLICATION ON PLAIN PAPER CANNOT BE SUBMITTED THROUGH ASBA

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- Name of our Issuer,;
- Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- Registered Folio Number/ DP and Client ID No.;
- Number of Equity Shares held as on Record Date;
- Allotment option preferred - only Demat form;
- Number of Rights Equity Shares entitled to;
- Number of Rights Equity Shares applied for;
- Number of Additional Rights Equity Shares applied for, if any;
- Total number of Rights Equity Shares applied for within the Right Entitlements;
- Total amount paid at the rate of ₹ 10/- per Rights Equity Share;
- Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- In case of NR Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- Except for Applications on behalf of the Central or State Government, the residents of Sikkim and officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the applicants;
- Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB);
- Additionally, all such Applicants are deemed to have accepted the following:

“I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended (“US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (“United States”) or to, or for the account or benefit of a United States person as defined in the Regulations of the US Securities Act (“Regulations”). I/we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/ we confirm that I/ we are not in the United States and understand that neither us, nor the Registrar or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of us have reason to believe is a resident of the United States “U.S. Person” (as defined in Regulations) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

“I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulations, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States or a Qualified Institutional Buyer (as defined in the US Securities Act), and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulations or in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act.

I/We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”

In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar. Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors’ ASBA Accounts on or before the Issue Closing Date.

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “ALLOTMENT ADVICE/ REFUND ORDERS” ON PAGE 120.

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT’S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Important

Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise, the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in “Risk Factors” on page 20.

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

All enquiries in connection with the Letter of Offer, the Letter of Offer or Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “Ushanti Colour Chem Limited – Rights Issue” on the envelope to the Registrar at the following address:

BIGSHARE SERVICES PRIVATE LIMITED

Address: Office No. S6-2, VI Floor, Pinnacle Business Park,
Mahakali Caves Road, Andheri (E), Mumbai-400093

Telephone: +91-022-62638200 | **Fax:** +91-022-62638299

Email: rightsissue@bigshareonline.com

Investor Grievance: investor@bigshareonline.com

Website: www.bigshareonline.com

Contact person: Mr. Suraj Gupta

SEBI Registration No: INR000001385

In accordance with SEBI Rights Issue Circular, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar www.bigshareonline.com. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties are +91-022-62638200.

The Issue will remain open for a minimum period of 07 days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Closing Date).

DECLARATION BY OUR COMPANY

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, 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 Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements and disclosures made in the Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- _____ Mr. Maunal Shantilal Gandhi Joint Managing Director	Sd/- _____ Mr. Minku Shantilal Gandhi Joint Managing Director
	Sd/- _____ Mrs. Hanisha Jinish Patel Independent Director
Sd/- _____ Mrs. Purvi Tapan Trivedi Independent Director	Sd/- _____ Mr. Tejas Pravinkumar Shah Independent Director

SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY AND COMPLIANCE OFFICER OF OUR COMPANY

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

<p>Sd/-</p> <hr/> <p>Mr. Pradip Bhadriklal Gandhi Chief Financial Officer</p>	<p>Sd/-</p> <hr/> <p>Ms. Vishakha Tanwar Company Secretary & Compliance Officer</p>
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Place: Ahmedabad

Date: October 14, 2024