



Scan this QR Code to
view this Addendum.



Dated: May 08, 2024

GEM ENVIRO MANAGEMENT LIMITED

Corporate Identity Numbers: U93000DL2013PLC247767

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 in the name and style of “Ganesha Enviro Management Private Limited” bearing Corporate Identification Number U93000DL2013PTC247767 dated February 01, 2013, issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Thereafter, the name of the Company was changed from “Ganesha Enviro Management Private Limited” to “GEM Enviro Management Private Limited” pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting held on October 09, 2013, and consequent to name change a fresh Certificate of Incorporation was granted to our Company on November 04, 2013, by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the Shareholders at the Annual General Meeting, held on August 31, 2023, and consequently the name of our Company was changed from “GEM Enviro Management Private Limited” to “GEM Enviro Management Limited” vide a fresh certificate of incorporation dated October 18, 2023, issued by the Registrar of Companies, Delhi bearing CIN U93000DL2013PLC247767. For details of change in name and registered office of our Company, please refer to chapter titled “Our History and Certain Other Corporate Matters” beginning on page no. 149 of this Draft Red Herring Prospectus.

Registered Office: Unit No.203, Plaza- P 3, Central Square, Bara Hindu Rao, Delhi 110006, India
Website: www.gemrecycling.com; **E-Mail:** info@gemrecycling.com **Telephone No:** 011-49068377
Company Secretary and Compliance Officer: Mr. Vijay Kumar Sharma

OUR PROMOTERS: PROMOTER OF OUR COMPANY: MR. SACHIN SHARMA, MRS. SANGEETA PAREEKH, MR. DINESH PAREEKH, MR. SARTHAK AGARWAL AND BLP EQUITY RESEARCH PRIVATE LIMITED

ADDENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED FEBRUARY 12, 2024; NOTICE TO INVESTORS (THE “ADDENDUM”)

INITIAL PUBLIC ISSUE OF UP TO 59,90,400 EQUITY SHARES OF FACE VALUE OF ₹ 5/- EACH OF GEM ENVIRO MANAGEMENT LIMITED (“GEM”) OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ |●|/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ |●|/- PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ |●| LAKHS (“THE OFFER”), COMPRISING A FRESH ISSUE OF UP TO 14,97,600 EQUITY SHARES AGGREGATING UP TO ₹ |●| LAKHS BY OUR COMPANY (“FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 44,92,800 EQUITY SHARES (“OFFERED SHARES”) AGGREGATING UP TO ₹ |●| LAKHS COMPRISING OF UP TO 11,23,200 EQUITY SHARES AGGREGATING UP TO ₹ |●| LAKHS BY MR. SACHIN SHARMA, UP TO 9,29,600 EQUITY SHARES AGGREGATING UP TO ₹ |●| LAKHS BY MRS. SANGEETA PAREEKH, UP TO 13,16,800 EQUITY SHARES AGGREGATING UP TO ₹ |●| LAKHS BY BLP EQUITY RESEARCH PRIVATE LIMITED, AND UP TO 11,23,200 EQUITY SHARES AGGREGATING UP TO ₹ |●| LAKHS BY MR. SARTHAK AGARWAL (COLLECTIVELY, “SELLING SHAREHOLDERS” AND SUCH OFFER FOR SALE OF EQUITY SHARES BY THE SELLING SHAREHOLDERS, “OFFER FOR SALE”). OUT OF THE OFFER, 3,42,400 EQUITY SHARES AGGREGATING TO ₹ |●| LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION i.e. NET OFFER OF UP TO 56,48,000 EQUITY SHARES OF FACE VALUE OF ₹ 5/- EACH AT A PRICE OF ₹ |●|/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ |●|/- PER EQUITY SHARE AGGREGATING TO ₹ |●| LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET OFFER”. THE OFFER AND THE NET OFFER WILL CONSTITUTE 26.56% AND 25.05%, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Potential Bidders may note the following:

1. Table of Contents beginning from page 1 of the Draft Red Herring Prospectus, shall be updated and/ or added, as provided beginning on page 1 of the Addendum to Draft Red Herring Prospectus.
2. Under the heading titled “Summary of Offer Documents” beginning from page 23 of the Draft Red Herring Prospectus, certain information shall be updated and/ or added, as provided beginning on page 03 of the Addendum to Draft Red Herring Prospectus.
3. Under the heading titled “Risk Factor” beginning from page 31 of the Draft Red Herring Prospectus, certain risk factors shall be amended and/ or updated, as provided beginning on page 04 of the Addendum to Draft Red Herring Prospectus.
4. The Chapter titled “General Information” beginning on page 59 of the Draft Red Herring Prospectus has been updated to add the details of Bankers to the Issue/ Refund Bank/ Sponsor Bank to Issue. Please note that all other details will be carried out in the offer document.
5. Under the heading titled “Capital Structure” beginning from page 71 of the Draft Red Herring Prospectus, certain risk factors shall be amended and/ or updated, as provided beginning on page 07 of the Addendum to Draft Red Herring Prospectus.
6. The Chapter titled “Objects of the Offer” beginning on page 91 of the Draft Red Herring Prospectus and accordingly, certain information shall be amended and/ or updated and/ or added, as provided beginning on page 09 of the Addendum to Draft Red Herring Prospectus.
7. The Chapter titled “Industry Overview” beginning on page 108 of the Draft Red Herring Prospectus and accordingly, certain information shall be amended and/ or updated and/ or added, as provided beginning on page 11 of the Addendum to Draft Red Herring Prospectus.
8. Under the heading titled “Our Business” beginning from page 122 of the Draft Red Herring Prospectus and accordingly, certain information shall be amended and/ or updated and/ or added, as provided beginning on page 27 of the Addendum to Draft Red Herring Prospectus.
9. Under the heading titled “Our Management” beginning from page 155 of the Draft Red Herring Prospectus and accordingly, certain information shall be amended and/ or updated and/ or added, as provided beginning on page 49 of the Addendum to Draft Red Herring Prospectus.
10. Under the heading titled “Our Promoter” beginning from page 173 of the Draft Red Herring Prospectus and accordingly, certain information shall be amended and/ or updated and/ or added, as provided beginning on page 50 of the Addendum to Draft Red Herring Prospectus.
11. Under the heading titled “Our Promoter Group” beginning from page 181 of the Draft Red Herring Prospectus and accordingly, certain information shall be amended and/ or updated and/ or added, as provided beginning on page 51 of the Addendum to Draft Red Herring Prospectus.
12. Under the heading titled “Our Group Companies” beginning from page 183 of the Draft Red Herring Prospectus and accordingly, certain information shall be amended and/ or updated and/ or added, as provided beginning on page 52 of the Addendum to Draft Red Herring Prospectus.
13. Under the heading titled “Our History and Certain Other Corporate Matters” beginning from page 149 of the Draft Red Herring Prospectus and accordingly, under the heading of ‘Key Events and Milestone in the History’, the name of Bisleri shall be removed from Draft Red Herring Prospectus.
14. Please note that all other details in, and updates to the Red Herring Prospectus/ Prospectus with respect to issue price and/ or other relevant details will be carried out in the Red Herring Prospectus, as and when filed with ROC, SEBI and the Stock Exchange.

The above is to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Red Herring Prospectus/ Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

On behalf of GEM Enviro Management Limited
Sd/-
Vijay Kumar Sharma
Company Secretary & Compliance Officer

Place: Delhi
Date: May 08, 2024

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE ISSUE
 <p>SHARE INDIA CAPITAL SERVICES PRIVATE LIMITED SEBI Registration Number: INM000012537 Address: A-15, Basement, Sector - 64, Noida, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201301 Telephone Number: +91-120-4910000 Contact Person: Mr. Kunal Bansal Email Id: kunal.bansal@shareindia.co.in Investors Grievance E-mail: info@shareindia.com Website: www.shareindia.com CIN: U65923UP2016PTC075987</p>	 <p>FINTELLECTUAL CORPORATE ADVISORS PRIVATE LIMITED SEBI Registration No.: INM000012944 Address: 204, Kanishka Shopping Complex, Mayur Vihar, Phase 1, Extension, Delhi – 110091 Telephone Number: +91-11-48016991 Contact Person: Mr. Amit Puri/ Mr. Pramod Negi E-mail: info@fintellectualadvisors.com Investor Grievance E-mail: investors@fintellectualadvisors.com Website : www.fintellectualadvisors.com CIN: U74999DL2021PTC377748</p>	 <p>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED SEBI Registration No.: INR000003241 Address: D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi – 110020, India Tel. No.: 011-40450193-97, Fax No.: NA Contact Person: Mr. Anuj Rana Email Id: ipo@skylinerta.com Investor Grievance E-mail: info@skylinerta.com Website: www.skylinerta.com CIN: U74899DL1995PTC071324</p>
BID/OFFER PERIOD		
BID/OFFER OPENS ON: [●]		BID/OFFER CLOSES ON: [●]

Our Company and the Selling Shareholders in consultation with the Book Running Lead Managers may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date.

This space has been left blank intentionally

TABLE OF CONTENTS

TITLE	PAGE NO.
TABLE OF CONTENTS	02
SUMMARY OF OFFER DOCUMENTS	03
RISK FACTORS	04
GENERAL INFORMATION	06
CAPITAL STRUCTURE	07
OBJECTS OF THE OFFER	09
INDUSTRY OVERVIEW	11
OUR BUSINESS	27
OUR MANAGEMENT	49
OUR PROMOTERS	50
OUR PROMOTER GROUP	51
OUR GROUP COMPANIES	52
DECLARATION	53

This space has been left blank intentionally

Table of Contents has been updated as per the SEBI (ICDR) Regulations in page no. 1 of Draft Red Herring Prospectus:

TABLE OF CONTENTS

SECTION I – GENERAL	02
DEFINITIONS AND ABBREVIATIONS	02
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA	19
FORWARD LOOKING STATEMENTS	21
SECTION II – SUMMARY OF OFFER DOCUMENT	23
SECTION III – RISK FACTORS	31
SECTION IV – INTRODUCTION	54
THE OFFER	54
SUMMARY OF FINANCIAL INFORMATION	56
SECTION V – GENERAL INFORMATION	59
SECTION VI – CAPITAL STRUCTURE	71
SECTION VII – PARTICULARS OF THE OFFER	91
OBJECTS OF THE OFFER	91
BASIS FOR OFFER PRICE	98
STATEMENT OF TAX BENEFITS	105
SECTION VIII – ABOUT THE COMPANY	108
INDUSTRY OVERVIEW	108
OUR BUSINESS	122
KEY INDUSTRY REGULATIONS AND POLICIES	137
OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS	149
OUR MANAGEMENT	155
OUR PROMOTERS	173
OUR PROMOTER GROUP	181
OUR GROUP COMPANIES	183
RELATED PARTY TRANSACTION	187
DIVIDEND POLICY	188
SECTION IX- FINANCIAL STATEMENTS	190
FINANCIAL STATEMENT AS RESTATED	190
OTHER FINANCIAL INFORMATION	233
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	234
SECTION X- LEGAL AND OTHER INFORMATION	245
OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS	245
GOVERNMENT AND OTHER STATUTORY APPROVALS	253
SECTION XI- OTHER REGULATORY AND STATUTORY DISCLOSURES	257
SECTION XII- ISSUE INFORMATION	271
TERMS OF THE OFFER	271
OFFER PROCEDURE	282
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES	319
OFFER STRUCTURE	320
SECTION XIII - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION	325
SECTION XIV – OTHER INFORMATION	342
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION	342
DECLARATION	344

SECTION II – SUMMARY OF OFFER DOCUMENTS

The following details has been modified as follows on page no. 23 of Draft Red Herring Prospectus:

SUMMARY OF OUR BUSINESS OVERVIEW

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 in the name and style of “Ganesha Enviro Management Private Limited” bearing Corporate Identification Number U93000DL2013PTC247767 dated February 01, 2013, issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Thereafter, the name of the Company was changed from “Ganesha Enviro Management Private Limited” to “GEM Enviro Management Private Limited” pursuant to special resolution passed by the shareholders at the Extra Ordinary General Meeting held on October 09, 2013, and consequent to name change a fresh Certificate of Incorporation was granted to our Company on November 04, 2013, by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, our Company was converted into a Public Limited Company vide Special Resolution passed by the Shareholders at the Annual General Meeting, held on August 31, 2023, and consequently the name of our Company was changed from “GEM Enviro Management Private Limited” to “GEM Enviro Management Limited” vide a fresh certificate of incorporation dated October 18, 2023, issued by the Registrar of Companies, Delhi bearing CIN U93000DL2013PLC247767. At present, the registered office of the company situated at Unit No.203, Plaza- P 3, Central Square, Bara Hindu Rao, Delhi-110006.

Our Company, GEM Enviro Management Limited (“GEM”) was established in the year 2013 for collection and recycling of all kinds of Packaging waste including the Plastic Waste. Subsequently, the company diversified to implementation of Plastic Extended Producer Responsibility Programmes for various organization (to fulfill their obligations as per PWM Rules 2016 and amendments) and which has become the largest Business vertical of the Company (contributing to 82.41% of revenue in the year 2022-2023). Collection and recycling of Industrial Plastic Waste contributed to 17.42% of revenue and Sales and marketing of recycled products contributed to 0.18% of revenue in FY 2022-2023. Further in year 2023-2024 the company has ventured into new additional businesses in the field of Sustainability and as on today the Company provides following Services:

1. EPR consultancy and fulfilment for Plastic Waste
2. Collection and recycling of Industrial Plastic Waste
3. Sales and Marketing of recycled products
4. ESG Consulting and BRSR (Business Responsibility and Sustainability Reporting)

In addition, our company also organizes awareness programmes for making people aware about proper disposal of plastic waste and need of recycling on a regular basis.

This space has been left blank intentionally

SECTION III – RISK FACTORS

a. Existing Risk Factor No. 3 has been updated as follows:

3. *We are dependent on and derive a substantial portion of our revenue from a limited number of customers. Cancellation by customers or a delay or reduction in their orders could have a material adverse effect on our business, results of operations and financial condition.*

We have, in the past derived a significant portion of our revenue from limited number of customer and we may continue to derive a significant portion of our revenue from such customer. The details of Top 1, 5 and Top 10 clients are as below:

Revenues	For the period ended		For financial year ended					
	30-Sep-23		31-Mar-23		31-Mar-22		31-Mar-21	
	(Amount in ₹ in Lakhs)	% of Revenue from Operations	(Amount in ₹ in Lakhs)	% of Revenue from Operations	(Amount in ₹ in Lakhs)	% of Revenue from Operations	(Amount in ₹ in Lakhs)	% of Revenue from Operations
Top-1 Customer	355.29	19.22%	1,138.04	26.76%	497.73	15.17%	650.75	25.51%
Top-5 Customer	721.57	39.03%	1,949.03	46.00%	1,677.04	51.00%	1,294.84	51.00%
Top-10 Customer	1,026.97	55.55%	2,444.63	57.00%	2,171.52	66.00%	1,569.17	62.00%

* % of Revenue from Operations

As a significant portion of our revenue is concentrated to a select number of customers, any adverse development with such customer, including as a result of a dispute with or disqualification by such major customers, may result in us experiencing significant reduction in our cash flows and liquidity. The loss of significant clients, or projects from such clients for any reason, including as a result of disqualification or dispute, may have a material and adverse effect on our business and results of operations.

b. Existing Risk Factor No. 12 has been shifted to Risk Factor No. 5:

5. *Our Company has reported negative cash flows in the recent period. Negative cash flows in the future could adversely affect our results of our operations and financial condition.*

Our cash flows from operating activities, investing activities and financing activities for the period ended September 30, 2023 and the financial year ended March 31 2023, 2022 and 2021 are set forth below:

Particulars	Amount in ₹ lakhs			
	For the period ended September 30, 2023	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022	Financial Year ended March 31, 2021
Cash flow from operating activities	103.98	845.73	345.18	22.77
Cash Flow from investing activities	12.92	-40.55	3.73	4.23
Cash Flow from financing activities	-148.61	-305.89	-46.80	-24.71

Net Increase / (Decrease) in cash and cash equivalents	-31.71	499.29	302.11	2.29
---	--------	--------	--------	------

We cannot assure you that we will not have negative cash flows in the future. This could have a negative effect on our capacity to cover day-to-day operational expenses and business expansion. If we cannot generate enough cash flows, it may harm our business and financial activities.

c. Existing Risk Factor No. 26 has been updated as follows:

26. Our Promoter Company and Promoter Group Company has made certain non-compliance in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013 in respect of which additional fees has been imposed on them.

There have been certain delays in relation to statutory filings required to be made by our Promoter Company and Promoter Group Companies with the RoC under applicable laws in respect of which additional fees was levied on us.

Our Promoter Company BLP Equity Research Private Limited, has made delays in filing E-form MGT-7 for the year FY 2019-20, FY 2020-21 and FY 2022-23 and E-form AOC-4 for the year FY 2019-20, FY 2020-21, FY 2021-22 and FY 2022-23. Our Promoter Group Company, BGP 11 Analytics Private Limited has made delay in filing E-form MGT-7 and E-form AOC-4 for the year FY 2022-23. Race Eco Chain Limited, our Promoter Group Company has made delays in filing E-form AOC-4 and E-form MGT-7 for FY 2021-22 and FY 2020-21, respectively. Securocrop Securities India Private Limited, our Promoter Group Company also made delays in filing forms which are E-form AOC-4 and E-form MGT-7 for the financial years FY 2020-21, FY 2021-22 and FY 2022-23. However, it cannot be assured that no such additional fee or other regulatory action will not be levied/ taken in the future. Further, we cannot assure you that such delays in filing will not occur in the future. Therefore, if the concerned authorities impose monetary penalties on these companies or take certain punitive actions against the companies or their directors/ officers in relation to the same.

This space has been left blank intentionally

SECTION V – GENERAL INFORMATION

The details of Bankers to the Issue/ Refund Bank/ Sponsor Bank has been added as follows:

BANKERS TO THE ISSUE/ REFUND BANK/ SPONSOR BANK

HDFC Bank Limited

Address: HDFC Bank Limited, FIG-OPS Department- Lodha, I Think Techno Campus O-3 Level, Next to Kanjunmarg, Railway Station, Kanjanmarg (East) Mumbai- 400042

Tel. No.: 022-30752927/28/2914

Email Id: siddharth.Jadhav@hdfcbank.com

Contact Person: Mr. Siddharth Jadhav

Website: www.hdfcbank.com

SEBI Registration No.: INBI00000063

This space has been left blank intentionally

CAPITAL STRUCTURE

a. Category has been added in the shareholding pattern of the Company:

Shareholding Pattern of Promoter and Promoter Group

S.No	Category& name of shareholder(I)	Cate gory	PAN (II)	No.of share holder s (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid up equity shares held (V)	No. of share under lying Depos itory unrealiz (VI)	Total shares nos. held (VII)	Sharehol ding as a % of total no. of shares (calculate d as per SCRR, 1957) As a % of (A+B +C2)	Number of Voting Rights held ineach class of securities				No. of Shares Underlying Outstandin g convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capita l) As a % of (A+B+C2)	Numb er of locked in Shares		Number of Shares pledge d or otherwise encumbere d		Number of shares held in demateria lizedform
										No. of Voting Rights			Total asa % of (A+ B+C)			No. (a)	As a % of total shares held (B)	No.(a)	As a % of tot al shares held (B)	
										Class : X	Classs : Y	Total								
	(I)		(II)	(II)	(IV)	(V)	(VI)	(IV)+(V)+(VI)	(VIII)	(IX)				(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)
(1)	Indian																			
(a)	Individual/HUF			7												-	-	-		
1	Sachin Sharma	Promoter	-	1	45,83,000	-	-	45,83,000	21.77	45,83,000	-	45,83,000	21.77	-	21.77	-	-	-	-	45,83,000
2	Sangeeta Pareekh	Promoter	-	1	27,20,000	-	-	27,20,000	12.92	27,20,000	-	27,20,000	12.92	-	12.92	-	-	-	-	27,20,000
3	Dinesh Pareekh	Promoter	-	1	6,80,000	-	-	6,80,000	3.23	6,80,000	-	6,80,000	3.23	-	3.23	-	-	-	-	6,80,000
4	Sarthak Agarwal	Promoter	-	1	52,63,200	-	-	52,63,200	25.00	52,63,200	-	52,63,200	25.00	-	25.00	-	-	-	-	52,63,200
5	Poonam	Promoter group	-	1	6,80,000	-	-	6,80,000	3.23	6,80,000	-	6,80,000	3.23	-	3.23	-	-	-	-	6,80,000
6	Pushp Lata Sharma	Promoter Group	-	1	200	-	-	200	0.00	200	-	200	0.00	-	0.00					200
(b)	Cen. Govt./ State Government(s)																			
(c)	Financial Institutions/Banks		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any other (Body Corporate)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	BLP Equity Research Pvt. Ltd.	Promote r	-	1	71,26,40 0	-	-	71,26,400	33.85	71,26,40 0	-	71,26,400	33.85	-	33.85	-	-	-	--	71,26,400
(2)	Foreign		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Individual (NRI/ Foreign Individual)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
I	Institutions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other(specify)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub- Total(A) (2)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters and Promoter Group (A)=(A)(1) +(A)(2)				7	2,10,52,8 00	-	-	2,10,52,800	100.00	2,10,52,8 00	-	2,10,52,8 00	100.0 0	-	100.00	-	-	-	-	2,10,52,800

b. The following texts have been inserted on page no. 86 of Draft Red Herring Prospectus:

The details of the Equity Shares held by our Promoter and Promoter Group, which are locked in for a period of three years from the date of Allotment in the Offer are given below:

Number of Equity Shares locked-in	Nature of Allotment/ Transfer	Date of Allotment and Date when made fully paid-up	Face Value (in Rs.)	Offer/ Acquisition Price per Equity Share (in Rs.)	Nature of consideration (cash/ other than cash)	% of fully diluted post-Offer paid-up capital	Period of lock-in
BLP Equity Research Private Limited							
22,56,000	Bonus Issue	30-09-2023	5.00	Nil	Other than Cash	10.00%	3 Years
Mr. Sachin Sharam							
11,28,000	Bonus Issue	30-09-2023	5.00	Nil	Other than Cash	5.00%	3 Years
Mr. Sarthak Agarwal							
11,28,000	Bonus Issue	30-09-2023	5.00	Nil	Other than Cash	5.00%	3 Years

This space has been left blank intentionally

OBJECTS OF THE OFFER

a. Following details has been updated on page no 91 as follows:

Proposed schedule of implementation and deployment of Net Proceeds

The Company proposes to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated Utilisation of Net Proceeds in Fiscal 2024	Estimated Utilisation of Net Proceeds in 2025
1.	To Meet Working Capital Requirements	700.00	-	700.00
2.	General corporate purposes#*	[●]	-	[●]
Net Issue Proceeds		[●]	-	[●]

**To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.*

#In compliance with Regulation 230(2) of SEBI (ICDR) Regulations, the amount to be utilised for general corporate purposes will not exceed 25% of the gross proceeds.

#In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not met in full or part, the same shall be utilized in the next fiscal year, as may be determined by our Board of Directors, in accordance with applicable laws.

b. The following details have been inserted on page no. 94 of Draft Red Herring Prospectus under heading **Justification:**

Cash and Cash Equivalents	Cash and Cash Equivalents include balances in current account with scheduled bank, Cash in Hand and FDRs with Banks. Cash and Cash Equivalent balance is estimated based on previous years outstanding amount and for expected Business requirement of company.
Short Term Loans & Advances	Short term loans and advances are in the nature of loans to employees, securities deposits, advances to suppliers and balances with revenue authorities. These loans and advances are towards accelerating the business and integral part of business.
Other Current Assets	Other Current Assets includes, Accrued Interest on FDR, and Prepaid Expenses are estimated based on previous year outstanding amount and for expected Business requirement of company.
Other Current Liabilities	Other Current Liabilities mainly include Advance from Customer, Payable against statutory dues, Payable against expenses. Other current liabilities are estimated based on previous year outstanding amount and for expected Business requirement of company.

c. The following texts have been inserted on page no. 95 of Draft Red Herring Prospectus:

Clarification on higher cash and cash equivalents as at September 30, 2023 and March 31, 2023

During the year ended March 31, 2023 and period ended September 30, 2023, the Company earned profit after tax of ₹ 10.02 Crore and ₹ 6.51 Crore respectively. Some of such accruals were utilized in business to fund the business activities during normal course and some of the accruals were held with Banks under Current A/c

and made fixed deposits for meeting future need of the business as the Company is having plans to expand its business in other areas like EPR facilitation in Tyre industry, E-waste recycling industry etc.

The break-up of cash and cash equivalents as on 31st March, 2023 and 30th September, 2023 is as under:

<i>(Amount in ₹ lakhs)</i>		
Particulars	F.Y. 2022-23	For period ended 30.09.2023
Cash in hand	0.93	0.41
Balances in bank in Current A/cs	355.81	88.99
FDRs with Bank	830.95	1066.58
Total	1187.69	1155.98

Reason of high holding period of Debtors:

Due to strict documentation and compliance requirements, Debtors' level is very high in our business. The holding levels of trade receivables were 184 days, 201 days and 185 days for FY 2020-21, 2021-22 and 2022-23 respectively. The debtors level again rose to 242 days by 30th September, 2023 due to digitization of issuance process of EPR credits by CPCB, which is yet to be stabilized and so customers are holding the payments. We, however, expect that debtors level will normalize by the end of current FY and so our Company considers the holding levels to be of 210 days for FY 2023-24 and 2024-25.

Reason of high holding period of Creditors:

Creditors are mainly related to buying EPR credits. In EPR, collection of documents starts after receipt of billing from suppliers. The documentation part is quite lengthy and depends on specific individual requirements of our customers. In case of any discrepancy in documents, our customers hold our payment. So, generally we pay our suppliers after receipt of customer specific documents and therefore creditors days are higher. However, now EPR business has been made online by Central Pollution Control Board through their portal, which requires standard set of documents, which would be available through a common portal and so going forward we have to speed up the supplier's payment. Therefore, we are projecting lower creditors days as compared to historical holding days.

This space has been left blank intentionally

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the Issue have independently verified this information provided in this section. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

GLOBAL ECONOMIC OVERVIEW

Global growth is forecast to slow from 3.5 percent in 2022 to 3.0 percent in 2023 and 2.9 percent in 2024. For advanced economies, the expected slowdown is from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024, amid stronger-than-expected US momentum but weaker-than-expected growth in the euro area. Emerging market and developing economies are projected to have growth modestly decline, from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024, with a downward revision of 0.1 percentage point in 2024, reflecting the property sector crisis in China. Forecasts for global growth over the medium term, at 3.1 percent, are at their lowest in decades, and prospects for countries to catch up to higher living standards are weak. Global inflation is forecast to decline steadily, from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024. But the forecasts for 2023 and 2024 are revised up by 0.1 percentage point and 0.6 percentage point, respectively, and inflation is not expected to return to target until 2025 in most cases.

Despite signs of economic resilience earlier this year and progress in reducing headline inflation, economic activity is still generally falling short of pre-pandemic projections, especially in emerging markets and developing economies. The strongest recovery among major economies has been in the United States, where GDP in 2023 is estimated to exceed its pre-pandemic path. In China, the pandemic-related slowdown in 2022 and the property sector crisis contribute to the larger output losses of about 4.2 percent, compared with pre-pandemic predictions. Other emerging markets and developing economies have seen even weaker recoveries, especially low-income countries, where output losses average more than 6.5 percent.

INFLATION

Global headline inflation has more than halved, from its peak of 11.6 percent in the second quarter of 2022 to 5.3 percent in the second quarter of 2023. About four-fifths of the gap between the 2022 peak and the pre-pandemic annual average level of 3.5 percent has closed. Among major economies, headline inflation in the second quarter of 2023 ranged from –0.1 percent in China to 2.8 percent in the euro area and 2.7 percent in the United States. A fall in energy prices and—to a lesser extent—in food prices has driven the decline in headline inflation. Notwithstanding a rebound in July, crude oil prices have declined during 2023 and are well below their June 2022 peak, on the back of lower global demand partly driven by tighter global monetary policy affecting activity. Natural gas prices also remain well below their 2022 peak, reflecting ample storage and supplies from Norway and northern Africa. Food prices have declined modestly in 2023, with lower demand offset by supply reductions, notably those resulting from Russia's withdrawal from the Black Sea Grain Initiative in July, which reduced the supply of wheat to the global market. The normalization of supply chains has further contributed to the decline in headline inflation in most countries.

GROWTH IN EMERGING ECONOMIES

Growth in emerging and developing Asia is projected to rise from 4.5 percent in 2022 to 5.2 percent in 2023, then to decline to 4.8 percent in 2024, with downward revisions of 0.1 percentage point and 0.2 percentage point for 2023 and 2024, respectively, compared with July projections.

Growth in China: - The revision reflects a lower forecast for China, which is revised downward by 0.2 percentage point for 2023 and by 0.3 percentage point for 2024 to growth of 5.0 percent in 2023 and 4.2 percent in 2024. With the property market crisis in that country, lower investment is the main contributor to the revision.

Growth in India: - Growth in India is projected to remain strong, at 6.3 percent in both 2023 and 2024, with an upward revision of 0.2 percentage point for 2023, reflecting stronger-than-expected consumption during April-June.

Source: <https://www.imf.org/-/media/Files/Publications/WEO/2023/October/English/text.ashx>

INDIAN ECONOMIC OVERVIEW

In the second quarter of fiscal year 2024, India's real GDP recorded a robust YoY growth of 7.6 percent, surpassing both the median forecasts of 6.8 percent by professional analysts and their highest projection of 7.4 percent. This resilient performance contributed to an overall real GDP growth of 7.7 percent in the first half of FY24, prompting the Reserve Bank of India (RBI) to revise its full-year growth projection from 6.5 percent to 7.0 percent. The driving forces behind this growth were strong domestic demand for both consumption and investment. Private Final Consumption Expenditure (PFCE) showed a growth of 4.5 percent, reaching its highest share in GDP (Current Prices) at 60.4 percent in the first half since FY12, excluding the pandemic year FY21. While urban consumption remains a primary driver, rural demand has also exhibited significant growth, indicating sustained momentum in the upcoming months.

The growth surge in the Indian economy during the first half of fiscal year 2024 stands in stark contrast to the slowdown observed in the global economy, as indicated by composite PMI indices. Notably, India emerged as the fastest-growing economy among major economies in the same period. According to the International Monetary Fund (IMF), India is anticipated to make a substantial contribution of over 16 percent to global growth in 2023. The global economic deceleration is primarily attributed to central banks implementing monetary tightening measures to curb inflation.

INDIAN EXPORT AND IMPORT AND FDI IN INDIA

During the first half of the fiscal year 2024, India's merchandise exports and imports experienced a contraction. However, this contraction has had a positive impact on the merchandise trade deficit. When coupled with an expanding surplus in the services trade account, it is anticipated that the current account deficit will diminish in the first half of the fiscal year 2024.

The optimism in Foreign Portfolio Investments (FPIs) has increased, as they transitioned from being net sellers in the first half of fiscal year 2023 to becoming net buyers in the corresponding period of fiscal year 2024. In contrast, Foreign Direct Investment (FDI) inflow into India, after accounting for repatriation, has decreased in the first half, aligning with the global trend of FDI flows. The decline in net FDI inflows was primarily influenced by a surge in repatriation, driven by global uncertainties. However, FPI inflows have shown increased activity during this

period. Despite these short-term fluctuations, there is an anticipation of a resurgence in FDI inflows over the medium term, supported by robust government backing, a stable macroeconomic environment, and the growing economic prospects in India. This expectation is validated by a significant rebound in FDI observed in October 2023.

EMPLOYMENT LEVELS

In terms of employment, labour markets have completely rebounded to levels seen before the pandemic. High-frequency indicators additionally indicate an enhanced overall employment scenario across various sectors. The formal sector employment has experienced substantial growth, evident from a significant increase in the subscriber base of the Employees Provident Fund Organisation (EPFO). Both the PMI Manufacturing and services employment sub-indices highlight a widespread improvement in job creation. The outlook for the employment sector looks promising, with employers expressing intentions to either maintain or increase their workforce.

Source: https://dea.gov.in/sites/default/files/Half-Yearly%20Economic%20Review%20FY24_November%202023.pdf

INFLATION DATA

According to the National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI), the CPI inflation decreased to 5.55% in November 2023 as compared to 5.88% in November 2022. The CPI inflation for rural and urban areas for the month of November 2023 is 5.85% and 5.26% respectively.

Source: <https://www.mospi.gov.in/>

UNEMPLOYMENT LEVEL

India's overall unemployment rate in November fell to 9.16% from a 29-month high of 10.05% in October, on account of a decline in unemployment in rural areas amidst the rabi-sowing season, according to data from the Centre for Monitoring Indian Economy (CMIE).

The rural unemployment rate eased to 9.05% in November from 10.82% the previous month, while the urban unemployment rate rose to 9.39% from 8.44%.

Source: <https://www.financialexpress.com/policy/economy-unemployment-rate-falls-in-nov-as-farm-sector-boosts-rural-jobs-3327816/>

MARKET SIZE

In the financial year 2024, India's total economic output, known as the nominal Gross Domestic Product (GDP) at current market prices, is estimated to be around US\$ 3.62 trillion. Furthermore, during the first quarter of the fiscal year 2023-24, the nominal GDP at current market prices reached US\$ 848.92 billion (about Rs. 70.67 trillion). This represents a noteworthy growth of 10.4% when compared to the figures from the previous fiscal year, which stood at US\$ 785.85 billion (approximately Rs. 65.42 trillion) in 2022-23.

India has also gained prominence in the global tech industry, boasting a remarkable 115 unicorns with a combined valuation exceeding US\$ 350 billion as of February 2023. This achievement places India as the world's third-largest hub for such high-value startups.

PLASTIC INDUSTRY

GLOBAL PLASTIC INDUSTRY

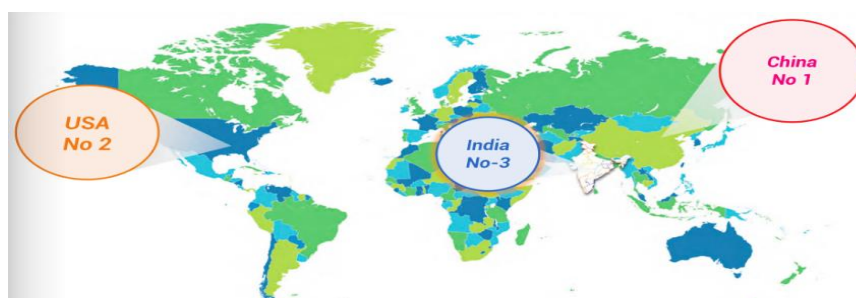
The global plastic industry, valued at \$584.7 billion in 2021, is poised for substantial growth, projected to reach \$753.1 billion by 2026, with a compound annual growth rate (CAGR) of 5.2%. This expansion is driven by escalating demand from diverse end-use sectors, including packaging, construction, automotive, and electronics. Factors such as population growth, urbanization, and evolving lifestyles contribute to heightened consumption of plastic in various applications, encompassing packaged foods and beverages, personal care products, personal protective equipment, and household items.

Notably, the Asia-Pacific region stands as the epicenter of the plastic market, representing over 50% of global demand. China spearheads consumption in this region, trailed by significant contributions from India, Japan, and South Korea. North America and Europe also play pivotal roles as substantial markets for plastic products.

However, the plastic industry confronts substantial risks, primarily stemming from mounting environmental concerns. Criticism has intensified over the industry's ecological impact, particularly with the alarming accumulation of plastic waste in oceans, adversely affecting marine life and ecosystems. In response, governments, organizations, and consumers are increasingly emphasizing initiatives to mitigate this environmental challenge. Measures such as recycling programs, outright bans on certain plastic products, and a shift towards more sustainable alternatives reflect the collective effort to address the environmental impact of the plastic industry. As sustainability gains prominence, the industry faces a critical juncture, prompting stakeholders to explore innovative and eco-friendly solutions to balance growth with environmental responsibility.

Source: KPMG report on The Future of Industry Focus on Plastics Manufacturing

China, the United States of America, and India stand as the top three contributors to worldwide plastic consumption.



Source: Plastics Industry Status Report – India – 2021-22 & 1H 2022-23 Update by Plastindia Foundation

INDIA'S PLASTIC INDUSTRY

The Indian plastic industry is one of the leading sectors in the country's economy. The history of the plastic industry in India dates back to 1957 with the production of polystyrene. Since then, the industry has made substantial progress and has grown rapidly. The industry is present across the country and has more than 2,000 exporters. It employs more than 4 million people in the country and constitutes 30,000 processing units; among these, 85-90% belong to small and medium enterprises. India manufactures various products such as plastics and linoleum, houseware products, cordage, fishnets, floor coverings, medical items, packaging items, plastic films, pipes, raw materials, etc. The country majorly exports plastic raw materials, films, sheets, woven sacks, fabrics,

and tarpaulin. The Government of India intends to take the plastic industry from a current level of Rs. 3 lakh crore (US\$ 37.8 billion) of economic activity to Rs. 10 lakh crore (US\$ 126 billion) in 4-5 years.

In FY23, India's plastic exports stood at US\$ 11.96 billion. During this time period, the exports of writing instruments and stationery, medical items, plastic pipes and fittings increased by 22.7%, 18.0%, and 0.5% over the same time last year, respectively.

Source: <https://www.ibef.org/exports/plastic-industry-india>

RECYCLING

Recycling emerges as an environmentally conscious process that encompasses the transformation of used materials into fresh products, effectively preventing the squandering of potentially valuable resources. This sustainable practice plays a pivotal role in curbing the depletion of raw materials, minimizing energy consumption, and alleviating environmental issues like air pollution from incineration and water pollution from landfilling. By reducing the dependence on conventional waste disposal methods, recycling contributes significantly to the mitigation of greenhouse gas emissions. Within the realm of modern waste reduction strategies, recycling stands out as a crucial element, involving the reutilization of diverse products such as glass, paper, metal, plastic, textiles, and electronics. The recycling journey typically initiates with the delivery of materials to designated collection centres or curb side pickups, followed by meticulous sorting, cleaning, and reprocessing, ultimately yielding new materials poised for manufacturing.

Some common recyclable materials

Recycling plays a pivotal role in sustainable resource management, encompassing a diverse array of common recyclable materials. The following materials can be recycled through industrial process:

Non-ferrous Metals: Recycling non-ferrous metals like aluminium, copper, and brass is essential for conserving resources and realizing significant energy savings.

Ferrous Metals: The recycling of ferrous metals, including steel and iron, contributes to resource conservation and reduces greenhouse gas emissions associated with their production.

Plastic: Various plastic types, such as PET and HDPE, are recyclable, playing a crucial role in reducing the demand for new plastic and mitigating environmental impacts.

Glass: Glass is a highly recyclable material, offering endless reprocessing opportunities without compromising quality, thereby conserving energy and raw materials.

Paper: Recycling paper helps conserve forests, reducing energy and water consumption associated with paper production, and promoting a more sustainable approach to resource use.

Batteries: Battery recycling is essential for preventing environmental contamination and recovering valuable metals like lead, cadmium, and nickel.

Electronics: Recycling electronic waste is crucial for resource recovery, particularly valuable components like gold, silver, and copper.

Other Common Recyclables: Several other materials are also commonly recycled, such as textiles, ship breaking, tires etc.

PLASTIC RECYCLING INDUSTRY

Recycled plastics are the plastics that made from post-consumer or post-industrial plastics instead of the virgin resin. The process of recycling used plastic from consumable products is an efficient means to reprocess the material into useful products. Many different products make great sources of recyclable material, including: soda bottles, plastic packaging, sheets and pellets. Recycled plastic is used to make many different types of products. The type of product that is made out of recycled plastic depends on the type of plastic resin. There are several different types of plastic resin used to make different products, such as PET, PP, HDPE and LDPE.



INDIA'S PLASTIC RECYCLING INDUSTRY

India has a population of more than 1.4 billion and generates 26,000 tonnes of plastic waste – every day. This is the equivalent of approximately 26,000 small cars. India produces 3.4 million tonnes of plastic waste in a year and only 30% of it is recycled. The India Plastic Recycling market stood at approximately 5700 thousand tonnes in FY 2023 and is likely to grow at a steady CAGR of 5.84% in the forecast period by FY 20230. The plastic recycling industry in India is rapidly growing owing to the rise in the number of small-scale plants in the country and the increasing focus of non-governmental entities on the secondary use economy. Plastic recycling has various benefits such as financial benefits, reducing the need for the production of fresh plastics, creating employment, opportunities, and reducing energy consumption. Additionally, development in various industries such as packaging, and automotive, and policies and regulations by the government are driving the market. This can be attributed to the increasing environmental awareness and viable applicability of the products derived from plastic waste. Although this sector is mostly managed by unorganized local players, the Government of India has enforced plastic waste management rules that prohibit the use of single-use plastics that have low utility and high littering potential.

Nowadays, environmental protection has become India's topmost priority which paves the path to design and implement methods to manage plastic waste effectively to minimize the pollution generated through non-decomposable plastics. To curb the negative impact of plastics on the environment, several major steps have been taken by the government and local players who are putting their efforts into making this country and planet Earth pollution-free.

Additionally, many fashion brands have recently taken charge of the situation and begun recycling PET plastic bottles into garments which makes this one of the significant ways to reduce waste generation making the country more environmentally friendly. Government initiatives, public awareness, and emerging ventures across the regions of India are collectively expected to foster market growth during the forecast period.

Plastics are generally categorized in two types:

Thermoplastics

Thermoplastics or Thermo-softening plastics are the plastics which soften on heating and can be molded into desired shape such as ET, HDPE, LDPE, PP, PVC, PS etc.

Thermosets

Thermoset or thermosetting plastics strengthen on heating, but cannot be remolded or recycled such as Sheet Molding Compounds (SMC), Fiber Reinforced Plastic (FRP), Bakelite etc. are the examples of the same

Source:















<https://www.csiro.au/en/news/all/articles/2023/december/circular-economy-roadmap-india>

<https://www.chemanalyst.com/industry-report/india-plastic-recycling-market-512>

<https://online.fliphtml5.com/wtqof/olmw/#p=224>

<https://economictimes.indiatimes.com/news/india/india-recycles-only-30-per-cent-of-3-4-mt-plastic-waste-generated-annually-report/articleshow/96918352.cms?from=mdr>

The Society of the Plastics Industry, Inc. (SPI) introduced its resin identification coding system in 1988 at the urging of recyclers around the country. The seven types of plastic include:

Symbol	Materials	Example	Common Uses
 PETE	PET (Polythene Terephthalate)		Bottles, Polyester Fibres, Films, Food Packaging
 HDPE	HDPE (High-Density Polyethylene)		Cleaning-Agent Containers, Milk Containers, Pipes, Household Goods
 PVC	PVC (Polyvinyl Chloride)		Pipes, Floor Coverings, Window Frames, Electric Cables, Boots, Shower Curtains
 LDPE	LDPE (Low-Density Polyethylene)		Plastic Bags, Clingfilm, Garbage Bags, Milk Carton Coatings
 PP	PP (Polypropylene)		Food Packaging, Houseware, Bottle Lids, Furniture, Ripe, Automobile Parts
 PS	PS (Polystyrene)		Food Takeaway Containers, Plastic Cutlery, Egg Trays
 Other	Other		Includes Polycarbonate, Polylactide, Acrylic, Acrylonitrile Butadiene, Styrene, Fiberglass and Nylon

Source: <https://www.icpe.in/recyclingprojects.html>

PLASTIC WASTE

Plastic waste (PW) is one of the most rapid-growing waste streams in municipal solid waste all over the world. India has become a global player in the plastic value chain. Despite low consumption, domestic generation and imports create a significant burden on the overall waste management system, which requires in-depth understanding of the scenario and pathways that can mitigate the crisis. Although Indian researchers have widely researched technology-related issues in academic papers, a substantial knowledge gap exists in understanding the problem's depth and possible solutions.

Source: <https://www.mdpi.com/2071-1050/14/8/4425>

THE CHALLENGES OF PLASTIC WASTE MANAGEMENT (PWM) IN INDIA

There are a number of challenges to managing plastic waste in India. One challenge is the lack of infrastructure. India has a limited number of Plastic waste disposal and recycling facilities, and many of these facilities are not properly managed. This makes it difficult to dispose of plastic waste in an environmentally sound manner.

Another challenge is the lack of awareness about the environmental impacts of plastic waste. Many people in India are not aware of the harm that plastic waste can cause to the environment. This lack of awareness makes it difficult to change people's behaviour regarding improper disposal of plastic waste and encourage them to recycle plastic waste.

EXTENDED PRODUCER RESPONSIBILITY (EPR)

WHAT DOES EPR MEAN?

Extended Producer Responsibility is the strategy to increase the interests of different Brand-owners, Producers, and Importers in producing various Environment-Friendly products. Management of all the costs related to Environmental Waste and for the production of different products from the product's Validity to its Market Price.

Extended Producers Responsibilities (EPR) are the responsibilities that are managed by the government for Post-consumer Waste Management. It is generally for different Brand Owners, Producers, and Importers who are obligated to follow the guidelines of Extended Producer Responsibilities (EPR) provided by the Central Pollution Control Board (CPCB).

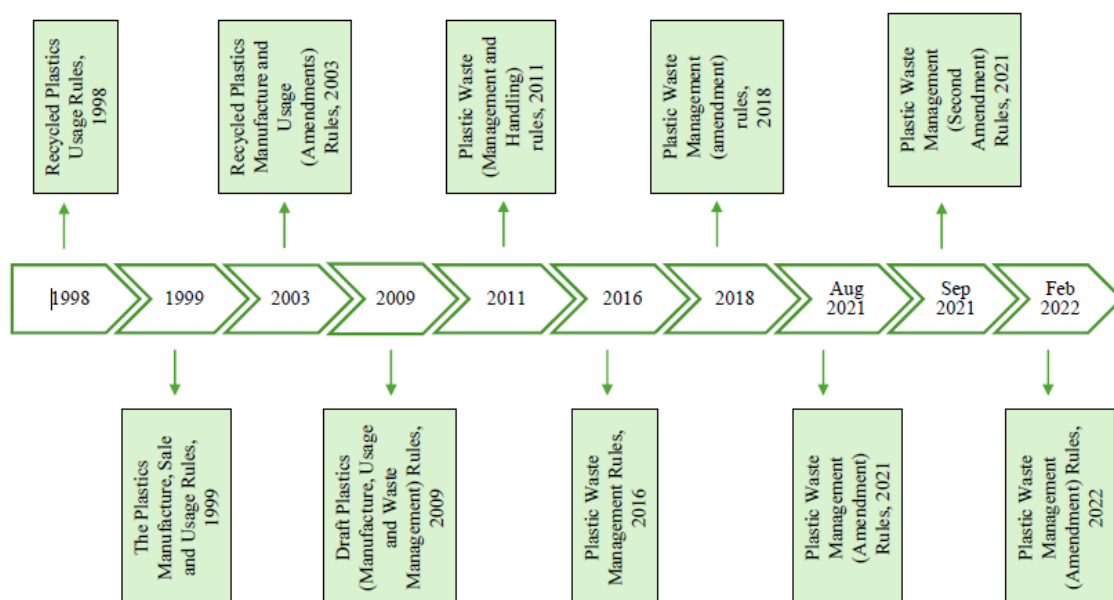
EPR DEVELOPMENT IN INDIA

In India, the law related to environment is governed by an umbrella legislation, the Environment Protection Act 1986 ("EPA 1986") and the rules made thereunder. The concept of Extended Producer Responsibility is relevant in the case of waste streams where the generation of waste is at the customer end, and hence more difficult to control. Hence, the rules relating to E-Waste, Plastic Waste, Batteries, Solid Waste, Waste Tyres and Used Oil incorporate the concept EPR. The different types of wastes are managed through the rules issued under the EPA 1986. Rules currently governing the waste management are as under:

Sr. No.	Types of Waste	Rules
1	Lead Acid Batteries	Batteries Waste Management Rules 2022 ("BWM Rules 2022")

2	Electronic Waste	E-Waste Management Rules 2016 (“EWM Rules 2016”) E-Waste Management Rules 2022 (“EWM Rules 2022”) and amendments
3	Plastic and plastic packaging	Plastic Waste Management Rules 2016 (“PWM Rules 2016”) and Plastic Waste Management (Amendment) Rules, 2022 (“PWM Rules 2022”) and subsequent amendments
4	Solid Waste	Solid Waste Management Rules 2016 (“SWM Rules 2016”).
5	Hazardous waste including Waste Tyres and Used Oil	Hazardous and Other Wastes (Management and Transboundary Movement) Rules 2016
6	Construction & Debris waste	Construction and Demolition Waste Management Rules 2016
7	Bio-medical waste	Bio-Medical Waste Management Rules 2016

TIMELINE FOR PLASTIC WASTE MANAGEMENT RULES IN INDIA



Main features of the EPR Rules in respect of Batteries, Electrical or Electronic Equipment and Plastic Waste

A table on the main features of the EPR rules in Batteries, Electrical or Electronic Equipment and Plastic Waste in the Indian legal framework is mentioned as below:

Applicable Rules	Battery Waste Management Rules, 2022	E-Waste Management Rules, 2022	Plastic Waste Management Rules, 2016 (as amended upto 2023)
Product Coverage	All types of Batteries or components thereof except used in equipment for military purpose or sent into space	Electrical and electronic equipment including solar photo-voltaic mouldles/	Plastic Waste including packaging waste

		panels/cells, whole or in part	
Effective Date	August 22, 2022	April 01, 2023	March 18, 2016
Stakeholder Coverage	Producer, dealer, consumer and other entities involved in collection, segregation, transportation, re-furbishment and recycling	Manufacturer, producer, refurbisher, dismantler and recycler	Every waste generator, local body, Gram Panchayat, Manufacturer, Importer and Producer
Responsibility	Collection of Waste Batteries and its recycling through Registered Recyclers	Collection of E-Waste & Channelisation to Registered Refurbishers/ Recyclers	Collection of plastic waste generated and channelisation to Registered Recyclers
Targets	Targets are in terms of collection of waste batteries, minimum use of recycling material and minimum recovery of Battery material, for different types of batteries	Targets based on % of quantity of EEE placed in the market	Targets in terms of collection of plastic waste, recycling and use of recycled plastic in packaging

Source: Chartered Secretary Journal of ICSI, August 2023

EPR FOR PLASTIC WASTE IS APPLICABLE FOR AND EMPHASIZES ON:

- Producer of Plastic Packaging
- Brand Owners
- Importer
- Plastic Waste Processors



GUIDING PRINCIPLES FOR EFFECTIVE PLASTIC WASTE MANAGEMENT (PWM):

Reuse: Obligated entities are urged to prioritize the reuse and cogeneration of resources, minimizing dependence on virgin plastic. Emphasis should be placed on utilizing waste as an energy resource during production.

Recycling: In accordance with EPR guidelines set forth by the CPCB, entities are required to recycle their plastic packaging waste. It is crucial for entities to collaborate with recognized Plastic Waste Recycling Companies for effective plastic waste management.

Use of Recycled Plastic Materials: To foster sustainability, all entities must responsibly manage and actively integrate recycled plastic products or materials into their operations. This not only aids in cost-cutting but also contributes to the conservation of valuable resources.

End-of-Life Disposal: For the proper management and disposal of end-of-life waste materials, strict adherence to CPCB's EPR guidelines is imperative. Entities should ensure the handover of such waste to authorized Plastic Waste Processors or End-of-Life Disposers.



IMPLEMENTATION OF EPR RULES AND REPORTING

The incorporation of sustainable development principles is inherent in the Extended Producer Responsibility (EPR) concept. It stands as a crucial compliance aspect for corporate professionals, as failure to adhere not only impacts stakeholders due to legal repercussions but also poses harm to the environment in the long run. Consequently, the implementation mechanism for EPR rules across various waste streams is of paramount importance. Key steps for EPR compliance encompass:

- **Registration on CPCB Central Portal:** Corporates are required to register on the CPCB Central Portal for specific waste streams, ensuring alignment with relevant authorities.
- **Collaboration with Waste Management Agencies:** Establishing partnerships with Waste Management, Collection Agencies, and Producer Responsibility Organisations (PROs) proves vital for the effective execution of EPR rules. These entities manage reverse logistics and collaborate with registered recyclers to ensure environmentally friendly waste processing.

- **Submission of Periodic Returns:** Registered entities must regularly submit returns on the CPCB portal, facilitating proper management of waste product inventory and enabling the monitoring of set targets and achievements.
- **EPR Certificate Procurement:** Producers can fulfil EPR targets by procuring EPR Certificates from Recyclers/Refurbishers, contributing to the promotion of responsible waste management.

In addition to adhering to the Waste Management Rules, Extended Producer Responsibility (EPR) forms an integral part of the reporting obligations set by the Securities and Exchange Board of India (SEBI). SEBI, through its circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023, mandates the inclusion of EPR in the Business Responsibility & Sustainability Report (BRSR). The BRSR Core, providing reasonable assurance, encompasses a set of Key Performance Indicators for disclosures related to diverse waste streams, including plastic waste, e-waste, bio-medical waste, construction and demolition waste, battery waste, radio-active waste, and other hazardous waste.

Moreover, the Business Responsibility & Sustainability Reporting Format requires entities to articulate their stance on the applicability of EPR to their business activities. Companies are also expected to detail the measures undertaken to fulfil their extended producer responsibility, thus emphasizing their commitment to sustainable practices.

KEY PWM STAKEHOLDERS AND THEIR RESPONSIBILITIES IN INDIA:

Sr. No.	PWM Stakeholders	Key Responsibilities
1	Pollution Control Boards (CPCB and SPCBs)	<ul style="list-style-type: none"> • Overall EPR Implementation • Stakeholders' registration and certification • Create and manage technology platform • Set targets and impose penalties
2	Producers, Importers, Brand Owners	<ul style="list-style-type: none"> • Overall PWM responsibility • Registration with CPCB/SPCB • Uploading Plastic Packaging Sales/Purchase Data on CPCB Portal • Purchase of EPR Credit • Compliance reporting to CPCB/ SPCBs • Co-ordinating and funding of PROs
3	PROs	<ul style="list-style-type: none"> • EPR Planning • Capacity building of waste value chain • Material flow through value chain • Waste Collection • Organising Awareness Programme • EPR Fulfilment for PIBO
4	Waste Processors	<ul style="list-style-type: none"> • Registration with CPCB/SPCB • Waste processing including collection from Urban Local Body (ULBs), segregation, and recycling • Generation of EPR credits • Filing of Annual Returns

5	Local Bodies (ULBs or Gram Panchayats)	<ul style="list-style-type: none"> • Demarcate locations/ areas, set up infrastructure and access funds from various sources for PWM • Ensure source segregation and collection • Create citizen communities and allocate human resources • Co-ordinate with PROs/ Independent Processors and review progress
6	Retailers and Street Vendors	<ul style="list-style-type: none"> • Consumer awareness • Provide dustbins for waste disposal • Ensure that plastic waste enters appropriately into PWM value chain
7	End users (institutional or individual waste generators)	<ul style="list-style-type: none"> • Minimise waste generation by reduced consumption, following sustainable disposal methods, and putting public pressure on producers • Ensure that waste produced is directed correctly into the PWM value chain • Segregation at point-of-disposal

Source: Research report of India – Australia Industry and Research Collaboration for Reducing Plastic Waste

HOW DOES EPR WORK?

The liability of extended producer responsibility gets passed on from the seller of a commodity to its purchaser – in this case, plastic packaging – to avoid duplication in accounting. It means that when a producer buys plastic from an importer, and then directly places the product on the market, the liability to collect back and recycle falls on the producer.

Similarly, if a brand owner buys plastic from a producer or an importer and uses it to place its products on the market, the brand owner becomes liable for end-of-life management of that amount of plastic waste.

The collection target (also known as EPR target) is arrived at by calculating the average of the amount of the plastic that a polluter has placed on the market in the last two consecutive years. EPR is ‘brand neutral’ – this means that a polluter does not necessarily limit itself to its own plastic packaging while collecting back; it can collect and recycle plastics put on the market by any other brand to fulfil its EPR targets.

However, the 2022 EPR notification binds the polluter to the plastic category. This means the EPR targets for every polluter will have to be fulfilled only for the category of plastic that they release into the market. For instance, if a polluter does not use multi-layered plastic (MLP-category III as per the EPR policy) for packaging any of its products, it does not have the liability to collect MLP.

The new EPR policy also introduces a plastic credit system. This implies that if a polluter manages to recycle more plastic waste than it had put into the market, it can either carry it forward for consideration in the following fiscal year or sell it off to another polluter who has a mandate to recycle the same category of plastic.

The EPR certificates can only be issued to the ‘polluters’ by authorised plastic waste processors/recyclers.

The EPR policy has divided plastics into four broad categories:

- **Category I** - Rigid plastics
- **Category II** - Flexible plastics (made up of more than one layer of plastic and may contain different types of plastic material)
- **Category III** - Multi-layered plastics (at least one layer of plastic along with a layer of non-plastic material)
- **Category IV** - Compostable plastics

The PIBOs have been assigned collection, recycling and use of recycled content targets as follows:

- a. Collection target (calculated on the basis of the preceding two-year average of the plastic put out on the market)

Year	Collection targets (% of Q)
2021-22	25%
2022-23	70%
2023-24	100%

EPR Target for producer and importer: $Q = (A + B) - C$

EPR Target for brand owner: $Q = A + B$

Where,

Q = Eligible Quantity in MT

A.

For producer - Average weight of plastic packaging material (category-wise) sold in the last two financial years.

For importer - Average weight of all plastic packaging material and/or plastic packing of imported products (category-wise) imported and sold in the last two financial years.

For brand owner - Average weight of virgin plastic packaging material (category-wise) purchased and introduced in the market in the last two financial years.

B = Average quantity of pre-consumer plastic packaging waste in the last two financial years.

C = Annual quantity supplied to the brand owner in the previous financial year

- b. Recycling targets (calculated on the basis of collection/EPR targets)

Plastic category	2024-25	2025-26	2026-27	2027-28
I-Rigid	50%	60%	70%	80%
II-Flexible	30%	40%	50%	60%
III-Multi-layered	30%	40%	50%	60%
IV-Compostable	50%	60%	70%	80%

- c. Use of recycled content (calculated on the basis of the amount of plastic manufactured in a year)

Plastic category	2025-26	2026-27	2027-28	2028-29
I - Rigid	30%	40%	50%	60%
II - Flexible	10%	10%	20%	20%
III - Multi-layered	5%	5%	10%	10%

- d. End-of-life disposal limit (calculated on the basis of the difference between total plastic put out on the market and recycling targets)

Plastic category	2024-25	2025-26	2026-27	2027-28
I - Rigid	50%	40%	30%	20%
II - Flexible	70%	60%	50%	40%
III - Multi-layered	70%	60%	50%	40%
IV - Compostable	50%	40%	30%	20%

IMPACT OF PLASTIC WASTE EPR IN INDIA

With the introduction of PWM 2022 Rules Central Pollution Control Board (CPCB) has developed an online portal for the registration of Producers, Importers, Brand Owners & Plastic Waste Processors. As on 3rd January 2024 the following entities has been registered on CPCB portal:

Sr. No.	Particulars	Total Registrations
1	Producer	3,871
2	Importer	27,419
3	Brand Owner	2,370
4	Plastic Waste Processors	2,323
	Total	35,983

The EPR targets assigned to PIBOs as on 3rd January, 2024 in MT is as follows:

Sr. No.	Type of Entity	Cat-I (Rigid)	Cat-II (Flexible)	Cat-III (MLP)	Cat-IV (Compostable)	Sub-Total
1	Brand Owner	669763	722638	271439	494	16,64,335
2	Producer	94697	45211	22535	26	1,62,470
3	Importer	19378	69260	7708	390	96,735
	Total	783838	837109	301682	910	19,23,539

Source: https://eprplastic.cpcb.gov.in/#/plastic/home/main_dashboard: (Centralized Extended Producers Responsibility Portal for Plastic Packaging)

POSITIVE OUTLOOK OF RECYCLED PLASTIC WASTE MANAGEMENT IN INDIA

The positive outlook for the recycled plastic waste management market in India is underlined by a confluence of factors that signal robust growth and sustainability in the sector. With increasing awareness about environmental conservation and a growing commitment to sustainable practices, the demand for extended producer responsibility (EPR) services in recycled plastic waste management is poised to witness a substantial uptick. Government initiatives and stringent regulations mandating responsible disposal of plastic waste have not only spurred the adoption of EPR services but have also created a conducive environment for market expansion.

Additionally, the rising consumer consciousness towards eco-friendly products and packaging amplifies the demand for recycled plastics, incentivizing companies to invest in EPR services. The untapped potential of the market, coupled with the commitment of stakeholders towards a greener future, positions the recycled plastic waste management industry as a key player in India's sustainable development narrative, promising investors an opportunity to participate in a sector that aligns with both environmental responsibility and economic growth.

This space has been intentionally left blank

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You shall read the chapter titled “Forward Looking Statements” beginning on Page No. 21 of this Draft red herring, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ending March 31 of that year.

The financial information used in this section, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft red herring, including the information contained in the sections titled “Risk Factors” and “Financial Information” beginning on Page No. 31 and 190 respectively.

BUSINESS OVERVIEW

Our Company, GEM Enviro Management Limited (“GEM”) was established in the year 2013 for collection and recycling of all kinds of Packaging waste including the Plastic Waste. Subsequently, the company diversified to implementation of Plastic Extended Producer Responsibility Programmes for various organization (to fulfill their obligations as per PWM Rules 2016 and amendments) and which has become the largest Business vertical of the Company (contributing to 82.41% of revenue in the year 2022-2023). Collection and recycling of Industrial Plastic Waste contributed to 17.42% of revenue and Sales and marketing of recycled products contributed to 0.18% of revenue in FY 2022-2023. Further in year 2023-2024 the company has ventured into new additional businesses in the field of Sustainability and as on today the Company provides following Services:

1. EPR consultancy and fulfilment for Plastic Waste
2. Collection and recycling of Industrial Plastic Waste
3. Sales and Marketing of recycled products
4. ESG Consulting and BRSR (Business Responsibility and Sustainability Reporting)

In addition, our company also organizes awareness programmes for making people aware about proper disposal of plastic waste and need of recycling on a regular basis.

Established in the year 2013, from the year 2013 to 2018, our Company was engaged in trading of plastic waste material and trading of the merchandise manufactured out of the waste recycling. The company was committed to sustainable plastic waste management and environmental stewardship, providing a basket of services to its customers that includes but not limited to plastic waste collection and sorting, recycling and repurposing, waste trading, providing environment consultancy etc. With field experience of our company's promoters in the plastic waste management industry and thorough market knowledge, strategic negotiations have helped us secure good prices and favorable terms for plastic trading waste transactions.

In the year 2016, Ministry of Environment, Forest and Climate Change (Ministry) notified Plastic Waste Management Rules, 2016 (“PWM Rules”). The PWM Rules mandate the generators of plastic waste to take steps to minimize generation of plastic waste, not to litter the plastic waste, ensure segregated storage of waste at source & hand over segregated waste in accordance with rules. As part of this initiative, the ministry also issued

comprehensive guidelines on Extended Producer Responsibility (EPR) for plastic packaging in February 2022. These guidelines establish a structure for the effective implementation of EPR, outlining the specific duties and obligations of Producers, Importers, Brand Owners, Recyclers, Waste Processors, and other relevant stakeholders. The PWM Rules, cast Extended Producer Responsibility (EPR) on Producer (P), Importer (I), and Brand Owner (BO) (*collectively referred as “PIBO”*) and EPR shall be applicable to both pre-consumer and post-consumer plastic packaging waste.

While the concept of PROs was initially introduced in the PWM Rules of 2016, subsequent amendments and updates, such as those seen in the Plastic Waste Management Rules (PWM Rules) of 2018, further refined and specified the roles and functions of PROs in the context of plastic waste management in India.

Role and Responsibilities of PIBOs

- Obtain EPR registration and prepare a plan of action.
- Fulfil EPR Obligation based on the targets (refer Page No. 121) provided in the guidelines for:
 - Recycling
 - Use of recycled content
 - Reuse
 - End-of-life-disposal
- Maintain required records
- Uploading of Plastic Packaging Sale/Purchase Data on CPCB Portal
- File annual returns

GEM Enviro Management as a Producer Responsible Organisations (“PROs”):

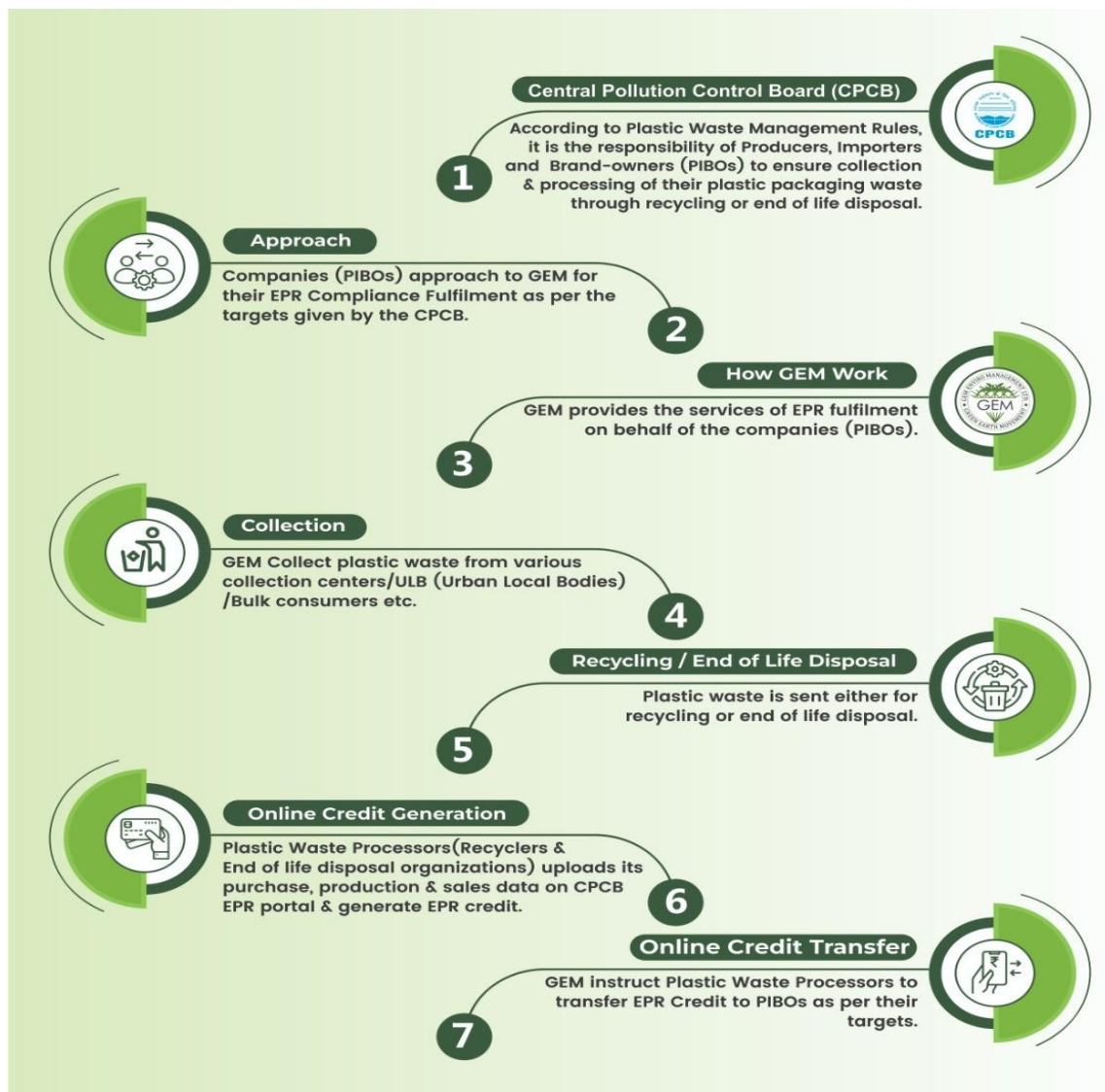
With the implementation of the Plastic Waste Management Rules, 2016 (*“PWM Rules”*) and subsequent updates, the framework for Producer Responsible Organisations (“PROs”) was established. PWM Rules outlined the roles and responsibilities of PROs in managing and implementing systems for the collection, segregation, recycling, and safe disposal of plastic waste on behalf of Producers. PROs act as intermediaries ensuring compliance with Extended Producer Responsibility (EPR) requirements and facilitating the environmentally sound management of plastic waste from products covered under the rules.

By understanding market needs, leveraging GEM's experience in the plastic waste management sector, conducting meticulous market analysis, utilizing the sound industry experience of the promoters, and adapting to changing regulatory frameworks, we have successfully defined and bridged the gap between regulatory demands, PIBO, and recyclers. GEM strategically registered itself as a Producer Responsible Organisations (PROs), being among the initial companies to do so with the Central Pollution Control Board (CPCB). Subsequently vide notification no. B-17011/7/UPC II-PWM (PRO) dated May 24, 2019, CPCB discontinue the scheme for recognition of PROs with CPCB. Pursuant to the said notification recognition of PROs by CPCB being no longer necessary and was withdrawn with immediate effect. The notification allowed the Producers and other stakeholders to plan their EPR implementation as per the requirement of PWM Rules 2016 and amendments.

EXTENDED PRODUCER RESPONSIBILITY (EPR):

The concept of Extended Producer Responsibility (EPR) was also formally introduced in India through the PWM Rules which were amended and updated at various times. EPR is an approach that places the responsibility for managing the environmental impact of a product throughout its lifecycle on the producer or manufacturer, rather than solely on the end-user or local authorities. It has shifted the burden of waste management from municipalities and taxpayers to producers, who have greater control over the design, production, and distribution of products.

PRESENTATION OF WORKFLOW OF THE BUSINESS IN A GRAPHICAL FORMAT



OUR SERVICES AND SOLUTIONS PORTFOLIO FOR PLASTIC EPR

1. EPR Consultation and fulfilment of plastic waste
2. Collection and Transportation of Plastic waste
3. Sales and Marketing of recycled products
4. ESG Consulting and BRSR (Business Responsibility and Sustainability Reporting)

1. EPR Consultation and fulfilment of plastic waste

GEM offers EPR consultation services to PIBO's for registration and fulfilling of their obligation as per PWM 2016 and amendments. GEM ensures compliance of PIBO's with regulatory requirements and streamlines the operational aspects of EPR implementation. Our team of professionals specializes in providing comprehensive solutions, including evaluating registration requirements, assisting in the application process, representing clients before authorities, resolving ambiguities, CPCB portal management and aiding in annual filings.

GEM partners with PIBO's, Collection Agencies, Recyclers and Plastic Waste Processors to develop and implement EPR programs. EPR shifts the responsibility of managing and recycling plastic products from consumers and local municipalities to the Brand Owners / Producers, encouraging eco-friendly product design and responsible disposal.

GEM offers a comprehensive suite of services to help businesses implement and manage their EPR programs:

i. EPR Program Development

GEM consultants work closely with clients to design customized EPR programs that align with their industry, products, and environmental goals. These programs help the clients meet regulatory requirements and fulfil their environmental responsibilities.

ii. Compliance Management

GEM provides end-to-end compliance management services, ensuring that its clients meet all legal obligations regarding EPR, Government guidelines, and reporting requirements.

iii. Data Analysis and Reporting

GEM employs advanced data analysis tools to monitor and report on EPR program performance. Our detailed reports enable clients to track progress and make data-driven decisions.

iv. Providing EPR Credits

GEM works with various Recyclers and waste processors who generates EPR credits on CPCB portal by uploading of their Purchase, Production and Sales data/ documents.

Once EPR credits are generated on CPCB portal by Channel Partner, GEM ensures transfer of these EPR credits to its PIBO clients thereby fulfilling their EPR obligations.

v. Educational Workshops and Training

GEM conducts workshops and training sessions to educate its clients and their staff on the principles of EPR and the best practices for reducing their environmental impact.

vi. Stakeholder Engagement

GEM helps clients engage with stakeholders, including consumers, environmental organizations, and government agencies, to build strong relationships and transparent communication channels.

vii. Education and Advocacy:

GEM conducts outreach programs and educational campaigns to raise awareness about plastic waste issues and advocate for EPR implementation. The objective is to make a world where individuals, communities, and

businesses are fully aware of the environmental impact of plastic waste and are empowered to take action to reduce, reuse, and recycle plastics.

GEM designs and conducts plastic waste awareness programs tailored to various audiences. These programs inform and educate individuals, schools, businesses, and communities about the challenges posed by plastic pollution.

The company offers workshops on plastic waste reduction, recycling, and sustainability. These workshops equip participants with the knowledge and practical skills to make eco-conscious decisions in their daily lives.

2. Collection and Transportation of Plastic waste:

GEM operates a robust collection and transportation network with its Channel Partners to efficiently to efficiently gather plastic waste from various sources, including businesses, and industrial sites. GEM works with various channel partners and ensures responsible transportation and segregation of plastics for recycling. The company uses third party transport services for the transportation of plastic waste from the collection centres to the recyclers. The company does not have any formal written agreement with any transporter for transportation services. Usually, Recyclers organize the transportation independently and sometime the Company gets the transportation services from the Local Transport Agents, utilizing vehicles with capacities ranging from 10 to 18 tons.

3. Sales and Marketing of recycled products:

The Company generate some revenue from sales of Recycled Products. The Company target the existing Business to Business (B2B) customers for marketing recycled products by highlighting the environmental benefits and cost-effectiveness aspects. Our Executives shows the Recycled Products to them and get the Order for Recycled Product.

Awareness activities also play a crucial role in reaching the client, this involves organizing events highlighting the benefit of recycling. The Company also display and distribute Recycled Products in awareness activities.

By combining B2B with awareness campaigns, companies not only encourage existing clients but also attract new businesses looking to align with environmentally responsible suppliers.

4. ESG Consulting and BRSR (Business Responsibility and Sustainability Reporting)

GEM has started providing ESG consulting and BRSR services to its clients, from the fiscal year 2023-24. These include the following:

GEM offers comprehensive ESG consulting services tailored to the unique needs of each client. This includes assessing current ESG practices of the client, identifying areas for improvement, and developing strategies to integrate sustainability into core business operations.

- The consulting process involves conducting thorough ESG audits, stakeholder engagement, materiality assessments, and benchmarking against industry peers and best practices.
- GEM also assists organizations in preparation of BRSR reports that provide transparent and credible disclosures of their sustainability performance as per the format of SEBI.
- The reporting process involves data collection, analysis, and verification to ensure accuracy and reliability of information.

GEM ENVIRO MANAGEMENT LIMITED AS AN EPR CONSULTANT

GEM Enviro Management Limited plays a pivotal role in coordinating plastic waste collection, facilitating recycling initiatives, and ensuring compliance with regulatory requirements, thereby streamlining the operational aspects of EPR implementation. Our team of professionals specializes in providing comprehensive solutions, including evaluating registration requirements, assisting in the application process, representing clients before authorities, resolving ambiguities, portal management and aiding in annual filings.

Services Offering as an EPR Consultant:

- **Evaluate registration requirement**

- Thorough assessment of registration prerequisites.
- Representation before authorities for discussions and resolution of any ambiguities.

- **Prepare and file registration application**

- Reviewing and compiling necessary documents, information, action plans, and details regarding plastic waste quantities for the application.
- Assistance in filing the application before the relevant environmental authorities, whether at the State Pollution Control Board or Central Pollution Control Board.

- **Support in obtaining registration certificate and representing before authorities**

- Assistance in obtaining the registration certificate, including diligent follow-ups with the authorities.
- Preparation of additional responses, addressing queries, and representing clients before the authorities when necessary.

- **EPR Portal Management**

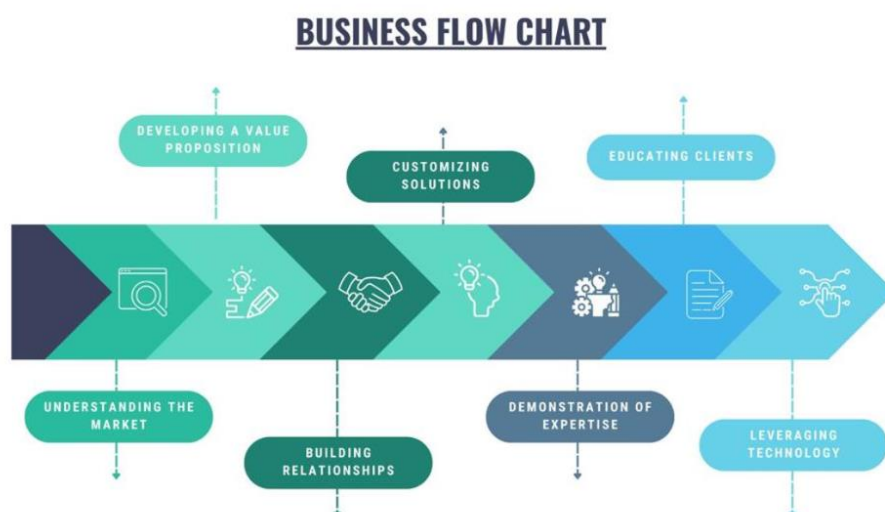
- Efficient handling of EPR portal management, an online system developed by the Central Pollution Control Board. This involves overseeing annual compliance, managing the transfer of EPR credits, and facilitating the submission of sales/purchase invoices for both preceding and ongoing years.

- **Filing annual returns**

- Assisting clients in the preparation and filing of annual returns, ensuring compliance with regulatory obligations.

Through the above specified services, GEM Enviro Management Limited ensures the effective and seamless execution of Extended Producer Responsibility in the realm of plastic waste management

PROCESS FLOW OF EPR SERVICES:



1. Understanding the Market:

Before embarking on the business acquisition journey, we conduct a thorough analysis of the market. We identify key players in the plastic industry, understand their EPR requirements, and assess their commitment to compliance and sustainability.

2. Developing a Value Proposition:

As a next step GEM crafts, a value proposition for attracting potential clients. This involves highlighting the benefits of GEM EPR services, emphasizing how GEM can help in Client's contribution to environmental conservation, regulatory compliance, and corporate social responsibility. We further emphasizes cost-effectiveness, streamlined processes, and its expertise in managing plastic waste responsibly

3. Building Relationships:

Our team gives great importance to building lasting relationships. Our team regularly attends industry conferences (most of the times as a speaker), networking events, and engage with potential clients through various channels. Establishing a personal connection and understanding their specific needs and challenges enables GEM to tailor its services accordingly. Building trust is crucial in the EPR sector, where clients are entrusting Service Provider with the responsible management of their environmental impact and compliances.

4. Customizing Solutions:

Since every client is unique with varying plastic waste management needs, GEM tailors EPR services to meet the specific requirements of each client. This includes designing a customized collection and recycling program and providing comprehensive reporting for regulatory compliance.

5. Demonstration of Expertise:

GEM develops case studies highlighting successful implementations of its EPR services. GEM further illustrates how its strategies have resulted in reduced environmental impact, increased recycling rates, and compliance with regulatory standards. Such tangible evidence of its capabilities instill confidence in potential clients, reinforcing the value of choosing GEM's services.

6. Educating Clients:

Given the evolving nature of environmental regulations, many businesses may not be fully aware of the intricacies of plastic waste management. As part of client acquisition strategy, GEM invests in educational initiatives. GEM regularly provides resources, workshops, and training sessions to help clients understand the importance of EPR and how GEM's services align with their sustainability goals.

7. Leveraging Technology:

GEM incorporates technology into business acquisition process to streamline operations and enhance efficiency. It utilizes data analytics to provide insights into clients' plastic waste generation patterns, EPR requirements, recycling rates, and environmental impact. GEM has implemented digital platforms for transparent reporting and communication. So far, the company has:

1. **Web Portal:** The company has developed web portal for providing the services. This web portal has been developed by a Technology vendor for GEM. This web portal is developed in PHP and database as MySQL and web panel being the HTML based.
2. **Mobile Application:** The company is the process of developing a mobile application for both android and IOS platform. information to its clients regarding EPR rules / regulations, government notifications with respect to EPR and waste management and news related to EPR. This mobile application is being developed by a technology vendor and is in final stages of completion.
3. **CRM software:** GEM is in the process of implementing the Salesforce CRM software. The Salesforce CRM (Customer Relationship Management) software is a cloud-based platform designed to help businesses manage their relationships with customers, streamline sales processes, improve overall efficiency, automation of sales process from lead generation to deal closure, better customer service management, powerful analytics and reporting and mobile accessibility to its sales team.

In conclusion, the business acquisition process for GEM involves a combination of market understanding, relationship-building, expertise demonstration, and technological integration. By focusing on these aspects and continuously adapting to the evolving needs of clients and the regulatory landscape, GEM has established itself as trusted partners in the sustainable management of plastic waste.

EPR CREDIT FOR PLASTIC WASTE

The Ministry of Environment Forest and Climate Change (MoEFCC) developed a uniform framework for EPR in 2022. The framework guides the companies to comply with the legislation.

The law gives direction to the brands and manufacturers to manage EPR legislation. It makes it mandatory for companies to collect back and recycle their waste. The draft consists of three different models, including the Plastic Credit Model, to implement EPR.

- In a plastic credit model, the producer is not required to recycle their own packaging, but to ensure that an equivalent amount of packaging waste has been recovered and recycled to meet their obligation.
- Producers are mandated to acquire evidence of recycling or recovery [PLASTIC CREDIT] from properly accredited processors [recyclers, W2E plant operators, cement co-processors, users utilizing plastic in road] or exporters.

- The producers and processors (recyclers, dismantlers) exchange the plastic credits or EPR credits for financial transactions at a price negotiated between them.

Illustration of plastic credit model to implement EPR:

A company XYZ Packaging, mandated by EPR regulations, partners with an accredited processor, ABC Recyclers, to meet its plastic waste recycling obligations. Instead of handling recycling directly, XYZ Packaging purchases Plastic Credits from ABC Recyclers, representing the equivalent recycling amount. These Plastic Credits serve as tradable commodities in a financial transaction between the producer and processor, allowing XYZ Packaging to fulfill its EPR obligation without conducting the recycling process themselves.

GENERATION AND TRANSFER OF EPR CERTIFICATES BY PLASTIC WASTE PROCESSORS (PWPS)

EPR Certificates are generated and transferred by PWPs (including Recyclers, Waste to Energy Plants, Waste to Oil plants and Co-processors) through the official platform of CPCB at <https://eprplastic.cpcb.gov.in/#/plastic/home>.

Steps involve in generation and transfer of EPR Certificate by PWPs:

- PWPs provide requisite information on CPCB portal by click on “PWP Operations” and then select “Procurement Details” to add details related to Procurement of Plastic Waste.



- Sales items can be selected from the inventory and Certificate generation potential shall be generated by applying conversion factor (confirmed during the physical verification), which shall be reflected in the wallet.
- The PWP can proceed to the “Wallet” section by clicking on “Wallet” on the Dashboard. Wallet shall display Available / Used Certificate generation potential corresponding to the sales for different categories of Waste.
- **Certificate Generations:** The PWP can generate Certificate by clicking on “Generate Certificates” Certificates of different denominations (1, 10, 50, 100, 500 & 1000 T) of different categories can be generated on the portal. Category of Certificates and Certificate value shall have to be keyed in by the PWPs.
- **Certificate Transfer:** The PWP can transfer the generated certificates by clicking on “Transfer Certificate” to the Registered PIBO. Type of certificate, certificate value, entity type & name to which the certificate has to be transferred, has to be entered and specific denominations selected for transfer of certificates.

PWPs Dashboard:

Wallet:

Generate EPR Certificate:

Transfer EPR Certificate:

GEM, a significant participant in India's Extended Producer Responsibility (EPR) sphere for plastic waste, provided more than 300,000 MT of EPR credits to its customers in the financial year 2022-23. It worked with more than 25 plastic waste processors for the same.

PLASTICS SCRAP TRADING BUSINESS

GEM Enviro specializes in industrial plastic scrap trading, navigating the intricate landscape of sourcing, processing, and recycling plastic waste. The company has set high standards for itself, embodying the principles of the circular economy and championing innovation in plastic collection/recycling.

Sustainable Sourcing:

One of GEM Enviro's distinguishing features lies in its commitment to sustainable sourcing practices. The company has established a comprehensive network for procuring plastic scrap from diverse sources. By collaborating with plastic waste management organizations, municipalities, and businesses, GEM Enviro ensures a steady supply of plastic scrap, thereby preventing these materials from ending up in landfills or oceans.

The company places a strong emphasis on ethical sourcing, adhering to international regulations governing the transboundary movement of plastic waste. GEM Enviro's stringent quality control measures during the sourcing phase contribute to a more efficient downstream process, ultimately yielding high-quality recycled plastic.

Relationship with Recyclers:

GEM Enviro has strong relationship with recyclers for recycling of plastic scrap that it collects. GEM Enviro

ensures that whatever material it collects is recycled as per the legal and environmental norms of India. Recycler are the entities who process the plastic waste into other products such as Washed Pet Flakes, Polyester Staple Fibre, Granules etc.

PLASTIC SCRAP TRADING BUSINESS PROCESS FLOW

The industrial plastic scrap trading business acquisition process for GEM is a multifaceted process that involves a strategic approach, effective communication, and a clear understanding of the environmental landscape. Below are the various steps involved in the business acquisition process:

Process Flow of Plastic Scrap Business:

1. Purchase or Procurement Process

GEM Enviro engages in two types of industrial waste/ pre-consumer purchases:

- **Unregistered Dealer (URD) purchases:** The Company acquires industrial waste/ pre-consumer waste from small dealers and waste collectors. The material is transported to our collection center, where it is baled and cut for easier transportation. It is to be note that the company does not have any formal written agreement with any collection centre.
- **Registered Dealer (RD) purchases:** The Company buys finished raw material of industrial waste/ pre-consumer waste from existing collection center holders.

2. Material Verification and Quotation

Following material verification, the Company request quotations from various recyclers. The Company share details like images, quantity, and quality. Upon receiving bids, The Company sign an agreement for the current and future purchases based on the most favourable offer & then the recycler issue a purchase order accordingly.

3. Transportation Quotation

Once rates are finalized, The Company obtain quotations from transporters for moving the material from the collection center to the recycler's warehouse.

4. Loading and Vehicle Weighing

Before hiring a transporter, The Company arrange loading personnel. An empty vehicle is weighed at the collection center. Afterwards, the material is loaded, and the loaded vehicle is weighed again to determine the actual material weight.

5. Purchase Order and Payment

After receiving weight, the Company issue a purchase order to the collection center holder and make payment as per the agreement's terms and conditions.

6. Material Sale

Upon receiving all purchase documents from the collection center, the Company obtain purchase orders from the recycler. The Company then generate sales documents based on the agreed-upon rates.

7. Material Unloading

At the recycler's warehouse, the material is unloaded and a report is provided. The Company negotiates any discrepancies within the report with both the collection center and the recycler.

RECYCLED MERCHANDISE TRADING

The Company generates some revenue from sales of Recycled Products. The Company targets the existing Business to Business (B2B) customers for marketing recycled products by highlighting the environmental benefits and cost-effectiveness aspects. Company's executives show the Recycled Products to them and get the Order for Recycled Product.

Awareness activities also play a crucial role in reaching the client, this involves organizing events highlighting the benefit of recycling. The Company also displays and distributes Recycled Products in awareness activities. By combining B2B with awareness campaigns, companies not only encourage existing clients but also attract new businesses looking to align with environmentally responsible suppliers.

BUSINESS SOURCING

The Company obtains business through a variety of strategies tailored to its target market, industry, and competitive landscape. Here are some methods through which the Company gets the business:

1. **Networking:** The company believes in building valuable relationships with other businesses through networking events, industry conferences (sustainability), and trade shows. This allows the Company to connect with potential clients.
2. **Referrals:** GEM leverages its existing clients and business partners to tap their networks and word of mouth recommendation helps to get new clients.
3. **Tenders:** GEM participates in tender process organized by various organizations for the EPR services. This active participation helps to enhance company's visibility in the company.
4. **Mailers:** Through promotional emails company targets prospective clients communicate the Company's value proposition the Company captures the attention of potential clients, prompting them to explore the Company's offerings further.
5. **Tele calling:** Company directly approaches the clients through tele calling. By initiating direct conversations with potential clients, the Company can effectively communicate its unique selling points, address inquiries, and build rapport, ultimately nurturing leads and driving conversions.

CLIENTAGE

With a diverse portfolio of 100+ clients, GEM Enviro Management has established strong relationships across various industries, including Food and Beverages (F&B), Fast Moving Consumable Goods (FMCG), Cement, Fertilizers, Packaging, Consumer Goods and many more. Few of GEM's prominent clients are companies such as Bengal Beverages Private Limited (Bottler of THE COCA-COLA COMPANY) and Varun Beverages Limited. These clients have recognized the importance of EPR in fostering eco-responsibility and have chosen to partner with GEM for their sustainability efforts. GEM team collaborates closely with each client to develop and implement EPR programs tailored to their specific needs and goals. Through these partnerships, GEM has seen

the transformation of companies' attitudes towards environmental responsibility, making it an integral part of their business strategy.

Details of Revenue from each Product/ Services

The details of revenue from each product/ services are mentioned as below:

(Amount in ₹ lakhs)

Product/ Service Name	For period ending 30.09.2023	FY 2022-23	FY 2021-22	FY 2020-21
EPR consultancy and fulfilment for Plastic Waste	1,802.39	3,504.74	2,939.60	2,067.47
Collection and recycling of Industrial Plastic Waste	42.56	729.08	319.60	475.93
Sales and Marketing of recycled products				
Backpack	-	-	-	0.02
Shorts	-	-	-	0.02
Scrap Laminates	-	-	-	0.61
Scrap Aluminium Can	-	-	3.10	2.52
Cap	2.08	0.50	0.66	0.00
T-shirts	1.54	6.95	7.85	4.84
Bags	-	-	4.60	-
Paper Scrap	-	11.76	0.58	-
Cataract Pouch	-	-	0.02	-
Neck Pillow	-	-	0.01	-
Aluminium Waste	-	-	3.93	-
Goggles	-	-	0.03	-
Clock	-	-	0.01	-
Total Revenue from Operations	1,848.58	4,253.02	3,280.00	2,551.42

MISSION:

GEM's mission is to revolutionize the way society deals with plastic waste. GEM's aims to minimize the negative impact of plastics on the environment by providing innovative solutions for recycling and waste management.

VISION:

GEM's vision is to build a world where plastics are viewed as a valuable resource rather than a disposable commodity, ensuring a cleaner, greener, and more sustainable future for generations to come.

Financial Snapshot:*(Amount in ₹ lakhs)*

Particulars	For the period ended	For the year ended		
	30-Sep-23	31-Mar-23	31-Mar-22	31-Mar-21
Revenue from operations	1,848.58	4,253.02	3,280.00	2,551.42
EBITDA	877.06	1,355.06	1,003.49	809.02
PAT	650.84	1,001.82	745.23	583.38

AWARDS, CERTIFICATIONS, AND RECOGNITION HONORED TO OUR COMPANY

The trust of our customers is a result of the consistent high quality of our services. Our company has been awarded various prominent certifications as a testament to our commitment to excellence. Some of which are as under:

- Times Business Awards North 2023 – For being a Recycling Partner.
- ISO 45001:2018 certificate number K22100304 from Deutsche Accreditation Board for providing different types of services relating to collection and recycling of all type of plastic waste including manufacturing and marketing of recycled products.
- Appreciation certificate from CBIC, Ministry of Finance, Government of India for FY 2021- 22 and 2022-23 for prompt filing of returns and payment of Goods and Services Tax.

SWOT ANALYSIS

GEM's strength and weaknesses, opportunities in the market and threats to its business (SWOT) are analysed as given below;

Strength:

- GEM has in depth understanding of regulatory landscape for EPR.
- GEM has built in processes and workforce to quickly learn and adapt to the EPR requirements of other sectors.
- GEM is an emerging player in plastic EPR and has strong brand recall.
- GEM has relationship with the stakeholders (recyclers and waste aggregators) in the plastic and other EPR value chain.

Weakness

- The waste services industry is new and hence, there is dearth of trained manpower available in the market for hiring. Therefore, GEM has to train and retain its executive workforce.
- Other than Plastic Credit market, GEM's major market is domestic market in India. Hence, GEM is excessively exposed to the risks in the Indian EPR market.

Opportunity

- The market size for EPR is huge and is growing fast as stated in above section.
- The market size for other businesses of GEM is also huge and presents ample opportunities for GEM to grow.
- The waste tech / enviro tech industry is new and offers opportunities for high growth with the use of cutting-edge technologies such as AI and Blockchain.

Threat

- There is ever growing competition in the EPR segment as there are no entry barriers of licensing or capex.
- There are frequent changes in regulations by CPCB.
- There might be pricing pressure in EPR segments due to the increase in bargaining power of the recyclers.
- SEBI might impose licensing requirements in future to conduct ESG audits.

OUR COMPETITIVE STRENGTH

- Expertise:** With a robust background in waste management and Extended Producer Responsibility (EPR), GEM brings a wealth of industry experience. GEM's team of EPR experts (qualified team of cross functional talent (environment science graduates, engineers, MBA, CS etc.) possesses extensive knowledge of environmental regulations, recycling best practices, and industry-specific challenges. This expertise ensures that the clients receive the most effective EPR solutions.
- Innovation:** GEM stays at the cutting edge of EPR by constantly exploring new systems and strategies to improve recycling and reduce waste, which benefits both its clients and the environment.
- Sound understanding of the regulatory landscape:** Our company boasts a comprehensive understanding of the regulatory landscape governing waste management and sustainability. This in-depth knowledge positions us as a reliable partner for clients seeking compliance with environmental regulations. It allows us to stay ahead of industry changes and proactively adapt to evolving standards.
- Commitment to Transparency:** GEM believes in complete transparency in reporting, helping clients demonstrate their commitment to environmental responsibility to their stakeholders.
- Relationship with other stakeholders in the value chain:** We value strong relationships across the entire value chain. Collaborating seamlessly with various stakeholders, including suppliers, partners, and clients, has been instrumental in our success. These relationships contribute to the efficiency and effectiveness of our waste management solutions.

OUR BUSINESS STRATEGY

1. Diversification and Comprehensive Sustainability Services

Our Company's strategy involves diversifying its service portfolio beyond its initial focus on scrap management for beverage giants. The company now offers a comprehensive range of sustainability services, including EPR compliance, ESG consulting, BRSR reporting, and project advisory. This diversified approach positions GEM Enviro Management Limited as a one-stop solution provider for clients seeking holistic environmental solutions.

2. Broaden presence in current markets and explore entry into new geographical markets

Currently we have a presence particularly in Metros and Tier I cities. We aim to deepen our penetration in existing markets and increase our presence by expanding services to new cities and states. As a business strategy, we intend to expand our footprint in Tier-2 cities and Tier-3 cities as there are untapped opportunities in these cities for us to grow our business operations. We aim to deepen our penetration and continue to grow our scale of operations.

3. Promotion of Environmental Awareness and Acceptance of Recycled Merchandise:

GEM's initiatives go beyond operational aspects to actively promote environmental awareness. The company

aims to encourage recycling, ensure EPR compliance, and advocate for the acceptance of recycled products among the masses. This strategy aligns with GEM's mission to transform society's approach to plastic waste and positions the company as an advocate for sustainable practices.

4. Prominent Leadership and Strong Industry Relationships:

GEM's business strategy centers around harnessing the expertise and dedication of its promoters, Mr. Sachin Sharma, Mr. Dinesh Pareekh and Mrs. Sangeeta Pareekh. Their extensive experience in business, finance, and sustainability is instrumental in steering GEM toward effective and sustainable plastic waste management. The company's strong ties with stakeholders, including recyclers, NGOs, and regulatory bodies, are crucial for the successful implementation of their initiatives. Additionally, maintaining robust relationships with brand owners across diverse industries, such as F&B, FMCG, and manufacturing, further enhances GEM's market influence and growth trajectory.

5. Innovation and Technology:

Embracing innovation and leveraging technology will be central to our strategy. We aim to explore and implement cutting-edge technologies for waste tracking, recycling, and material recovery, ensuring that our processes are efficient, transparent, and environmentally sustainable.

OUR GROWTH STRATEGY

GEM is adopting the strategy of related diversification for its future growth. GEM would leverage technology and customized processes to quickly grow in each of the chosen segments of operation.

a. Plastic Waste EPR:

GEM is planning to target an additional 1000 customers to serve their plastic waste management related needs. GEM's suit of services in this regard might range from registering the client on CPCB's online portal to charting out their specific waste management plan, training and development of their employees and value chain partners, EPR fulfilment and regulatory compliance management.

b. E-Waste EPR:

GEM has tied up with recyclers to serve the E-Waste producers. Many of GEM's existing clients have both the plastic waste and E-waste EPR requirements. GEM has also onboarded new clients and got them registered with CPCB. GEM Enviro Management Limited stays updated on changes in waste services by providing advisory services that align with the evolving regulatory landscape. GEM informs and educates its clients to make them fully compliant and risk ready.

c. Plastic Credit Consulting:

GEM is registered with Verra, the renowned international agency for standard setting and maintaining the credit registry. GEM collaborates with the plastic waste recycler 'Ganesha Overseas Pvt. Ltd.' to provide PC volume to be purchased approx. 10,000 MT/ Yr, credit for recycling and about 10,000 MT/ Yr. for collection in Nepal. GEM is working with domestic and international clients to advise and handhold them regarding registration, validation, verification, and sale of the plastic credits accruing from their plastic waste collection and recycling activities.

d. ESG Advisory:

The ESG reporting has been mandatory by SEBI for the top 1000 listed companies. GEM is geared to provide its clients not only the BRSR (Business Responsibility and Sustainability Report) services but also the strategic ESG advisory.

GEM team shall formulate/tweak ESG strategy and chalk out the ESG risk mitigation plan in consultation with client's senior management and the subject matter experts (SMEs). GEM shall also help the client in aligning the business processes of the company with 'ESG' strategy. GEM, with its understanding of the waste management and environmental space and its cross functional team, is fully geared to capture the substantial share of the huge ESG advisory market.

e. Battery and Tyre Waste EPR:

GEM would also be targeting the Battery and Tyre waste EPR markets as GEM has completed understanding of the EPR process and the value chain. GEM has already developed the collaterals (marketing material) to approach and acquire clients in this segment. GEM is also hiring and developing human resources to capture the substantial share of these markets.

SEGMENT WISE REVENUE

(Amount in ₹ Lakhs)

Revenue	For period ending 30.09.2023	% of total Revenue	F.Y. 2022-23	% of total Revenue
EPR consultancy and fulfilment for Plastic Waste	1,802.39	97.50%	3,504.73	82.41%
Sales and Marketing of recycled products	3.63	0.20%	7.45	0.18%
Collection and recycling of Industrial Plastic Waste	42.56	2.30%	740.84	17.42%
Total	1,848.58	100.00%	4,253.02	100.00%

(Amount in ₹ Lakhs)

Revenue	F.Y. 2021-22	% of total Revenue	F.Y. 2020-21	% of total Revenue
EPR consultancy and fulfilment for Plastic Waste	2,939.60	89.62%	2,067.46	81.03%
Sales and Marketing of recycled products	13.19	0.40%	4.89	0.19%
Collection and recycling of Industrial Plastic Waste	327.21	9.98%	479.07	18.78%
Total	3,280.00	100.00%	2,551.42	100.00%

TOP CUSTOMERS CONTRIBUTION TO REVENUE

The following table sets forth the revenue bifurcation from customers for period ended September 30, 2023 and for FY 2023, FY 2022 and FY 2021:

(Amount in ₹ Lakhs)

Customer	For period ended September 30, 2023		For year ended March 31, 2023	
	Revenue contribution	% of operational revenue	Revenue contribution	% of operational revenue
Top 1 Customer	355.29	19.22%	1138.04	26.76%
Top 2 Customers	461.81	24.98%	1399.40	32.90%
Top 5 Customers	721.57	39.03%	1,949.03	45.83%
Top 10 Customers	1,026.97	55.55%	2,444.63	57.48%
Total Revenue from Operations	1,848.58		4,253.02	

(Amount in ₹ Lakhs)

Customer	For year ended March 31, 2022		For year ended March 31, 2021	
	Revenue contribution	% of operational revenue	Revenue contribution	% of operational revenue
Top 1 Customer	497.73	15.17%	650.75	25.51%
Top 2 Customers	967.79	29.51%	911.12	35.71%
Top 5 Customers	1,677.04	51.13%	1,294.84	50.75%
Top 10 Customers	2,171.52	66.20%	1,569.17	61.50%
Total Revenue from Operations	3,280.00		2,551.42	

TOP SUPPLIERS CONTRIBUTION TO PURCHASES

(Amount in ₹ Lakhs)

Suppliers	For period ended September 30, 2023		For year ended March 31, 2023	
	Purchase contribution	% of Purchases	Purchase contribution	% of Purchases
Top 1 Supplier	197.07	25.49%	492.08	20.54%
Top 2 Suppliers	343.44	44.43%	699.03	29.17%
Top 5 Suppliers	637.53	82.47%	1,161.59	48%
Top 10 suppliers	773.04	100.00%	1,658.77	69%

(Amount in ₹ Lakhs)

Suppliers	For year ended March 31, 2022		For year ended March 31, 2021	
	Purchase contribution	% of Purchases	Purchase contribution	% of Purchases
Top 1 Supplier	199.27	11.41%	213.92	15.86%
Top 2 Suppliers	356.67	20.43%	387.13	28.70%
Top 5 Suppliers	724.77	30%	762.50	57%
Top 10 supplier	1120.37	47%	1081.53	80%

CAPACITY AND CAPACITY UTILISATION

Being in service industry, capacity and capacity utilisation is not applicable on our company.

INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Our registered office is located in Delhi and is equipped with computer systems, servers, relevant software and other communication equipment's, uninterrupted power supply, internet connectivity, security and other facilities, which are required for our business operations to function smoothly.

Power Facilities

Our Company requires power for the normal requirement of the Office for lighting, systems etc. Adequate power is available which is met through the electric supply.

Water Facilities

Our registered office has adequate water supply arrangements for human consumption purpose. The requirements are fully met at the existing premise.

INDUSTRY COMPETITION ANALYSIS

The Plastic EPR service provider industry is experiencing intense competition driven by regulatory changes, technological advancements, and strategic collaborations. Companies that navigate these competitive forces effectively, stay abreast of emerging trends, and adapt their strategies accordingly will be well-positioned to lead in this crucial sector. As the industry continues to evolve, the ability to provide sustainable and efficient solutions will be the key to success in the dynamic landscape of plastic waste management.

Our competitive edge lies in our ability to stay abreast of industry regulations and evolving technology. We believe that the principal competitive factors include service quality, reliability, and price that are able to comprehensively address varying requirements of different customer segments and specific customer needs. We believe that our ability to compete effectively is primarily dependent on ensuring consistent service quality and timely services at competitive prices, thereby strengthening our brand over the years.

HUMAN RESOURCES

We believe human capital is one of the most valuable assets of our company as their technical know-how and skill sets position us at a competitive advantage in our business segment in providing some of our services. We have developed a pool of skilled and experienced personnel. As on the date of this DRHP, we have 51 fully time

employees. The following table sets forth a breakdown of our employees by function:

Department	Number of Employees
Finance & Accounts	5
Compliance	2
Sales & Marketing	4
Administration	8
Operations	25
Store	2
IT	1
Peon / Driver	3
Designer	1
Total	51

COLLABORATION

As on date of Draft Red Herring Prospectus, our Company has not entered into any technical or financial collaboration agreements.

QUALITY CONTROL

Our Company has been accredited with ISO 45001:2018 for collection and recycling of all type of plastic waste (PET, H.DP.E, L.D.P.E, P.P., MLP, Beverage Cartons) including Manufacturing & Marketing of recycled products. The said certificate is issued by Deutsche Accreditation Board.

INSURANCE POLICIES OF OUR COMPANY

We have taken insurance policies insuring major risks relating to the employees of the company. However, the insurance policies may not provide adequate coverage in certain circumstances and are subject to deductibles, exclusions and limit on coverage.

In addition to above our company has purchased below specified insurance policies:

Sr. No.	Name of the Insurance Company	Type of Policy	Validity Period Upto	Policy No.	Sum Insured (₹ in Lakhs)	Premium per annum (₹)
1	SBI General Insurance Company Limited	Burglary Insurance	16-01-2025	POSMEP0100006645	41.50	2,789
2	HDFC Ergo General Insurance Company Limited	Motor Insurance	27-07-2024	2315205581848200000	1.68	19,335

OUR PROPERTY

Properties owned by our Company:

As on the date of this Draft Red Herring Prospectus, our company does not own any immovable property.




Properties taken on rent by our Company:



Sr. No.	Document Date	Name of Owner	Name of Tenant	Description of Property	Rental in ₹ lakh	Use	Area (Sq. ft.)
1	March 21, 2024 (Validity: April 01, 2024 to February 28, 2025)	Mrs. Sangeeta Pareekh	GEM Enviro Management Limited	Unit No. 203, Plaza-3, Central Square, Bara Hindu Rao, Delhi- 110006	0.70/- per month	Registered Office	1520Sq. ft.
2	July 01, 2023 (Validity: July 01, 2023 to May 31, 2024)	Mr. Amit Kothari	GEM Enviro Management Limited	Unit No. 131, Plaza-3, Central Square, Bara Hindu Rao, Delhi- 110006	0.25/- per month	For staff working	1268 Sq. ft

INTELLECTUAL PROPERTY

We regard our intellectual property as one of the most important factors in contributing to our success, and our intellectual property rights include trademarks associated with our businesses and other rights arising from confidentiality agreements relating to our database and website content and technology.

Trademarks

Logo/Trademark	Class	Nature of Trademark	Owner	Trademark No. & Date & Status	Authority
	39	Logo	GEM Enviro Management Private Limited.	Trademark No.- 4057038 Date: January 15,2019 Status: Registered	Trade Mark Registry, Intellectual Property, India
	40	Logo	GEM Enviro Management Private Limited	Trademark No.- 4057037 Date: January 15,2019 Status: Registered	Trade Mark Registry, Intellectual Property, India
	16	Logo	GEM Enviro Management Private Limited	Trademark No.- 2893945 Date: February 06,2015 Status: Registered	Trade Mark Registry, Intellectual Property, India

	25	Logo	GEM Enviro Management Private Limited	Trademark No.- 3050141 Date: September 08, 2015 Status: Registered	Trade Mark Registry, Intellectual Property, India
	25	Logo	GEM Enviro Management Private Limited	Trademark No.- 3082924 Date: October 21, 2015 Status: Registered	Trade Mark Registry, Intellectual Property, India

Domain Name

Domain Name & ID	Sponsoring Registrar & ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
www.gemrecycling.com	1761698462_DOMAIN_COM-VRSN	SAN ASIA B- 89, North Ex-Mall, Sector 9, Rohini, Delhi- 110085 Email Id: contact@sanasia.in	November 25, 2012	November 25. 2028

CORPORATE SOCIAL RESPONSIBILITY

We have adopted a Corporate Social Responsibility (“CSR”) policy in compliance with the requirements of the Companies Act 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by the Central Government. Our CSR initiatives are aimed by serving the community through programmes and projects having focus on:

- Preventive Healthcare
- Education and empowering women socially and economically;
- Environmental sustainability and rural development;
- Welfare of under privilege and destitute children, including girl child and upliftment of weaker sections of society;
- Empowerment of physically/ mentally challenged and under privileged children adults and providing free education.

This space has been intentionally left blank

OUR MANAGEMENT

- a. **The following texts have been inserted in current terms of appointment of Mr. Sachin Sharma on page no. 156 of Draft Red Herring Prospectus:**

Appointed for 5 (five) years commenced from November 01, 2023 to October 31, 2028.

- b. **Profile of Mr. Sachin Sharma has been updated on page 158 of Draft Red Herring Prospectus as follows:**

Mr. Sachin Sharma, 47 years old, serves as the Managing Director of the Company. With a diverse professional background encompassing engineering, business management, and entrepreneurship, he is deeply committed to sustainability. His journey underscores a wealth of experiences across different domains. He has total 20 years of experience and with a Bachelor of Technology (B. Tech), Textiles Technology and a Post Graduate Diploma in Computer Aided Management from IIM Calcutta, he has leveraged his extensive knowledge and experience to excel in the corporate world and become a successful entrepreneur. During the corporate journey with various organisation including Edelweiss, Mr. Sachin developed a deep appreciation of the environment and decided to explore sustainable solutions to address the planet's growing waste crisis. After a decade of enriching corporate experiences, Sachin made a decision to explore entrepreneurship in plastic waste management by co-founding GEM Enviro Management Limited ("GEM") in the year 2013 which focusses on innovative ways to manage and recycle the plastic waste.

Under his leadership, the company expanded its operations, collaborating with businesses, governments, and communities to implement large-scale plastic waste management solutions.

- c. **Profile of Mr. Dinesh Pareekh has been updated on page 158 of Draft Red Herring Prospectus as follows:**

Mr. Dinesh Pareekh, aged 54 years, possesses extensive experience and expertise in the corporate sector. In the capacity of chairman and Non-executive director of the company he brings valuable expertise to the table. With an illustrious career spanning over 30 years, he has played a pivotal role in shaping and nurturing the growth of the organization since its inception in 2013.

Apart from his significant contributions to the current company, Mr. Dinesh Pareekh is also promoter director of our promoter company BLP Equity Research Private Limited. Leveraging his extensive experience in capital markets, he has successfully navigated through various market scenarios, displaying a keen acumen for strategic investments and business development.

Mr. Dinesh Pareekh is not only a visionary in the corporate sector but also exhibits a deep commitment to sustainable practices. His experience in the recycling and waste management sector further underscores his dedication to environmental responsibility. Known for his proficiency in managing businesses and investments, he has emerged as a key figure in the industry, providing leadership that is both innovative and pragmatic.

OUR PROMOTERS

a. Profile of Mr. Sachin Sharma has been updated on page 173 of Draft Red Herring Prospectus as follows:

Mr. Sachin Sharma, 47 years old, serves as the Managing Director of the Company. With a diverse professional background encompassing engineering, business management, and entrepreneurship, he is deeply committed to sustainability. His journey underscores a wealth of experiences across different domains. He has total 20 years of experience and with a Bachelor of Technology (B. Tech), Textiles Technology and a Post Graduate Diploma in Computer Aided Management from IIM Calcutta, he has leveraged his extensive knowledge and experience to excel in the corporate world and become a successful entrepreneur. During the corporate journey with various organisation including Edelweiss, Mr. Sachin developed a deep appreciation of the environment and decided to explore sustainable solutions to address the planet's growing waste crisis. After a decade of enriching corporate experiences, Sachin made a decision to explore entrepreneurship in plastic waste management by co-founding GEM Enviro Management Limited ("GEM") in the year 2013 which focusses on innovative ways to manage and recycle the plastic waste.

Under his leadership, the company expanded its operations, collaborating with businesses, governments, and communities to implement large-scale plastic waste management solutions.

b. Profile of Mr. Dinesh Pareekh has been updated on page 174 of Draft Red Herring Prospectus as follows:

Mr. Dinesh Pareekh, aged 54 years, possesses extensive experience and expertise in the corporate sector. In the capacity of chairman and Non-executive director of the company he brings valuable expertise to the table. With an illustrious career spanning over 30 years, he has played a pivotal role in shaping and nurturing the growth of the organization since its inception in 2013.

Apart from his significant contributions to the current company, Mr. Dinesh Pareekh is also promoter director of our promoter company BLP Equity Research Private Limited. Leveraging his extensive experience in capital markets, he has successfully navigated through various market scenarios, displaying a keen acumen for strategic investments and business development.

Mr. Dinesh Pareekh is not only a visionary in the corporate sector but also exhibits a deep commitment to sustainable practices. His experience in the recycling and waste management sector further underscores his dedication to environmental responsibility. Known for his proficiency in managing businesses and investments, he has emerged as a key figure in the industry, providing leadership that is both innovative and pragmatic.

c. Profile of Mrs. Sangeeta Pareekh has been updated on page 175 of Draft Red Herring Prospectus as follows:

Mrs. Sangeeta Pareekh, aged 54 years, is the promoter of the company. She has been associated with the company since 2014. She has total experience of 25 years in capital and finance market. She is highly passionate about growth of plastic recycling in India and she believes that by promoting and investing in sustainable business in India she can create a positive impact on environment. She is a committed investor with dedication to promote and invest in sustainability businesses, which can be exemplified, as she is promoter of Race Eco chain Limited, a company that engaged in the aggregation of plastic waste and sale of recycled products and biomass products and her investment (2.47% equity shares) in Ganesha Ecosphere Limited another company engaged in recycling of plastic waste.

This space has been left blank intentionally

OUR PROMOTER GROUP

Name of immediate relatives of our Promoters has been updated on page 181 of Draft Red Herring Prospectus as follows:

Our Promoters and Promoter Group in terms of Regulation 2(1)(pp) of the SEBI (ICDR) Regulations is as under

A. Natural Persons who form part of our Promoter Group:

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI(ICDR) Regulations 2018 form part of our Promoter Group:

Relationship	Name of the Relatives	
	Mr. Sachin Sharma	Mr. Dinesh Pareekh
Father	Mr. Madan Pal Sharma	Late Mr. Bajrang Lal Pareekh
Mother	Mrs. Pushp Lata Sharma	Late Mrs. Gita Devi Pareekh
Spouse	Mrs. Poonam	Mrs. Sangeeta Pareekh
Brother	NA	Mr. Rakesh Chandra Pareek Mr. Prakash Chandra Pareek
Sister	NA	Mrs. Uma Pareek
Son	Mr. Aayushman Sharma Mr. Atharva Sharma	NA
Daughter	NA	NA
Spouse's Father	Late Mr. Laxman Sharma	Late Mr. Shree Chand Sharma
Spouse's Mother	Mrs. Jai Mala	Mrs. Bimla Dev Sharma
Spouse's Brother	Mr. Ravi Mr. Nishant	Mr. Anil Sharma Mr. Pankaj Sharma
Spouse's Sister	NA	NA

Relationship	Name of the Relatives	
	Mrs. Sangeeta Pareekh	Mr. Sarthak Agarwal
Father	Late Mr. Shree Chand Sharma	Mr. Gopal Agarwal
Mother	Mrs. Bimla Devi Sharma	Late Mrs. Priti Agarwal
Spouse	Mr. Dinesh Pareekh	NA
Brother	Mr. Anil Sharma Mr. Pankaj Sharma	NA
Sister	NA	Ms. Anika Agarwal
Son	NA	NA
Daughter	NA	NA
Spouse's Father	Late Mr. Bajrang Lal Pareekh	NA
Spouse's Mother	Late Mrs. Gita Devi Pareekh	NA
Spouse's Brother	Mr. Rakesh Chandra Pareek Mr. Prakash Chandra Pareek	NA
Spouse's Sister	Mrs. Uma Pareek	NA

This space has been left blank intentionally

OUR GROUP COMPANIES

- a. **Corporate Information of Securocrop Securities Private Limited has been updated on page 183 of Draft Red Herring Prospectus as follows:**

Securocrop Securities India Private Limited

Corporate Information

Securocrop Securities India Private Limited was incorporated under the Companies Act, 2013 on February 17, 1995, having CIN U74899DL1995PTC065534. The registered office of Securocrop Securities India Private Limited is situated at Unit No.203, Plaza- P 3, Central Square Bara, Hindu Rao, Delhi- 110006.

The business of Securocrop Securities India Private Limited revolve around in-depth research on Indian listed and unlisted companies, focusing on financial analysis, business evaluations, industry outlook and macroeconomic indicator. The company focuses on making informed investment decisions by meticulously studying the risk profile and other aspects of potential investments. Moreover, their investment decisions primarily target for medium to long-term.

- b. **Details of Promoters of Securocrop Securities Private Limited has been added on page 183 of Draft Red Herring Prospectus as follows:**

Promoter of Securocrop Securities India Private Limited

The promoters of Securocrop Securities India Private Limited are Mr. Dinesh Pareekh and Mrs. Sangeeta Pareekh.

- c. **Designation of Mr. Rakesh Chandra Pareek in Securocrop Securities Private Limited has been updated on page 183 of Draft Red Herring Prospectus as follows:**

Board of Directors

The directors of Securocrop Securities India Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name of Director	Designation
Mr. Dinesh Pareekh	Managing Director
Mr. Rakesh Chandra Pareek	Executive Director

- d. **Confirmation in respect of Securocrop Securities Private Limited has been updated on page 183 of Draft Red Herring Prospectus as follows:**

CONFIRMATIONS

Our Group Companies do not have any securities listed on a stock exchange. Further, our Group Companies have not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

This space has been intentionally left blank

SECTION XI - DECLARATION

We, hereby declare that, all the relevant provisions of Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Addendum to Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case may be. We further certify that all the statements made in the Addendum to Draft Red Herring Prospectus are true and correct.

Signed by the Directors of our Company				
Sr. No.	Name	Category	Designation	Signature
1.	Mr. Dinesh Pareekh	Non-Executive	Chairman, Director	Sd/-
2.	Mr. Sachin Sharma	Executive	Managing Director	Sd/-
3.	Mr. Anil Kumar Behl	Non- Executive	Independent Director	Sd/-
4.	Mrs. Mamta Gupta	Non- Executive	Independent Director	Sd/-
Signed by the Chief Financial Officer and Company Secretary of our Company				
8.	Mr. Vijay Kumar Sharma	Full-time	Company Secretary and Compliance Officer	Sd/-
9.	Mr. Amar jeet	Full-time	Chief Financial Officer	Sd/-

Place: Delhi

Date: May 08, 2024

This space has been intentionally left blank