



KATALINE LIMITED

(formerly known as Kataline Infra-Products Limited)

Corporate Identity Number: U24222MH2008PLC183728

REGISTERED OFFICE	CONTACT PERSON	EMAIL & TELEPHONE	WEBSITE
39/A, Sai Rudra, Panchal Layout, Near Wasudeo Nagar Metro Station, Hingna Road, MIDC Nagpur, Nagpur - 440 016, Maharashtra, India	Milind Suryakant Rao, <i>Company Secretary and Compliance Officer</i>	Email: cs@katalineindia.com Telephone: +91 712 223 3968	www.katalineindia.com

OUR PROMOTERS: AMIT ARVIND THATTE, KETAKI AMIT THATTE AND ABHISHEK AMIT THATTE

DETAILS OF THE OFFER

TYPE	FRESH ISSUE ⁽⁴⁾	OFFER FOR SALE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIBs & RIBs
Fresh Issue and Offer for Sale	Up to 43,00,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakh	Up to 43,00,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakh	Up to 86,00,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakh	The Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ SEBI ICDR Regulations ”). For further details, see “ <i>Other Regulatory and Statutory Disclosures – Eligibility for the Offer</i> ” on page 361. For details in relation to the share allocation and reservation among Qualified Institutional Bidders (“ QIBs ”), Non-Institutional Bidders (“ NIBs ”), Retail Individual Bidders (“ RIBs ”), see “ <i>Offer Structure</i> ” on page 377.

DETAILS OF OFFER FOR SALE BY PROMOTER SELLING SHAREHOLDERS

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH (IN ₹)*
Amit Arvind Thatte	Promoter Selling Shareholder	Up to 37,30,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakh [#]	0.34
Ketaki Amit Thatte	Promoter Selling Shareholder	Up to 5,70,000 Equity Shares of face value of ₹ 10/- each aggregating up to ₹ [●] lakh [#]	0.34

*As certified by N B T and Co, Chartered Accountants (FRN: 140489W) by way of their certificate dated September 30, 2026.

[#]Subject to finalisation of Basis of Allotment.

For further details, see section “The Offer” on page 77.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/-. The Floor Price, Cap Price and Offer Price as determined by our Company in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “*Basis for Offer Price*” on page 126 of the Draft Red Herring Prospectus, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have neither been recommended, nor approved by the Securities and Exchange Board of India (“**SEBI**”), nor does SEBI guarantee the accuracy or adequacy of the contents of the Draft Red Herring Prospectus. Specific attention of the Bidders is invited to “*Risk Factors*” on page 29.

OUR COMPANY'S AND PROMOTER SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in the Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes the Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

Further, each of the Promoter Selling Shareholders accepts responsibility for, and confirms, that the statements specifically made or confirmed by them in the Draft Red Herring Prospectus, to the extent that the statements and information specifically pertain to them and the Equity Shares offered by the Promoter Selling Shareholders under the Offer for Sale, are true and correct in all material respects and are not misleading in any material respect. No Promoter Selling Shareholder assumes responsibility for any other statements, disclosures and undertakings in the Draft Red Herring Prospectus, including without limitation, any of the statements, disclosures or undertakings made or confirmed by or in relation to our Company or our Company's business, or by any other Promoter Selling Shareholder or any other person(s).

LISTING

The Equity Shares of face value of ₹ 10 each to be offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE" together with BSE, the "Stock Exchanges"). For the purpose of the Offer, the Designated Stock Exchange shall be [●].

DETAILS OF THE BOOK RUNNING LEAD MANAGERS

LOGO	NAME	CONTACT PERSON	EMAIL AND TELEPHONE
	InCred Capital Financial Services Limited	Mayank Jain	E-mail: kataline.ipo@incredcapital.com; Telephone: +91 22 4161 1500
	Ashika Capital Limited	Rajat Baid / Divya Sankhat	Email: kataline.ipo@ashikagroup.com Telephone: +91 22 6372 0000

REGISTRAR TO THE OFFER

NAME OF REGISTRAR	CONTACT PERSON	EMAIL AND TELEPHONE
	Williams R	E-mail: kataline.ipo@kfintech.com; Telephone: +91 406 716 2222/1800 309 4001

BID/OFFER PROGRAMME

ANCHOR INVESTOR BIDDING DATE	[●] ⁽¹⁾	BID/OFFER OPENS ON	[●] ⁽¹⁾	BID/ OFFER CLOSES ON	[●] ⁽²⁾⁽³⁾
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⁽¹⁾Our Company may in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors Bid/Offer period shall be one Working Day prior to the Bid/Offer Opening Date.

⁽²⁾Our Company may in consultation with the Book Running Lead Managers, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

⁽³⁾UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

⁽⁴⁾Our Company, in consultation with the Book Running Lead Managers, may consider an issue of upto 6,70,000 equity shares of face value ₹ 10 aggregating up to ₹ [●] lakh as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC ("Pre-IPO Placement"). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety).

IN THE NATURE OF DRAFT ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE DRAFT RED HERRING PROSPECTUS

 <i>(Please scan this QR code to view the Draft Red Herring Prospectus and the Draft Abridged Prospectus)</i>	The following is a general summary of certain disclosures in the Draft Red Herring Prospectus and the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in the Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in the Draft Red Herring Prospectus, which is available at the websites of SEBI at www.sebi.gov.in, National Stock Exchange of India Limited and BSE Limited at www.nseindia.com and www.bseindia.com, respectively, the Company at www.katalineindia.com and the BRLM(s) at www.incredcapital.com & www.ashikagroup.com References below to page numbers are to page numbers of the Draft Red Herring Prospectus dated September 30, 2026. Unless otherwise specified all capitalised terms used herein and not specifically defined bear the same meaning as ascribed to them in the Draft Red Herring Prospectus.
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1. Summary of the Primary business

a) *Business Overview – Products offered by the company*

We are one of the few, fully integrated traffic safety solutions provider in India, engaged in manufacturing and supply of a comprehensive portfolio of road safety marking products for the infrastructure, transportation, aviation, industrial and commercial sectors. Our products find applications on asphalt, concrete surfaces, including roads, highways, bridges, flyovers, airports, parking areas, industrial facilities, pedestrian walkways and cycle tracks, among others. *(Source: CAREEdge Report)* We offer a comprehensive suite of road safety marking products across four categories, namely. (i) Hot-applied Thermoplastic marking materials; (ii) Cold-applied Plastic materials; (iii) Water and Solvent Based road safety marking paints; and (iv) Road safety Components and Devices.

b) *Segment reporting and revenue contribution*

Our segment reporting in our financial statements is based on the criteria set out in Ind AS 108 - Operating Segments. Accordingly, no separate segment information has been presented in the Restated Financial Information.

c) *Key Geographies*

During the last three Fiscals, we served customers across 24 states and union territories in India, supported by our distribution network which, as on the date of the Draft Red Herring Prospectus, comprises 17 distributors in 16 cities across 14 states and union territories in India. As on the date of the Draft Red Herring Prospectus, we operated 15 warehouses in 15 cities across 11 states and union territories in India.

d) *Typical customer/ clients of the Company and revenue from operations from key customers:*

Over the years, we have built strong relationships with key players in the infrastructure and road development sector. Our clients primarily comprise, road contractors, EPC contractors, distributors, government agencies engaged in highway construction, urban road development and traffic management projects. We have also developed a multi-channel distribution network comprising 17 distributors in 16 cities across 14 states and union territories in India as on the date of the Draft Red Herring Prospectus. Our distribution strategy combines direct engagement with infrastructure developers and private contractors with a network of authorised distributors, enabling us to supply our products across multiple locations in India and select international markets.

The table set forth below are contribution of our top customers towards our Revenue from operations:

Particulars	Fiscal 2026 ⁽²⁾		Fiscal 2025		Fiscal 2024	
	Amount	% of Revenue from operations	Amount	% of Revenue from operations	Amount	% of Revenue from operations
Largest customer	2,930.58	13.29	1,981.26	12.47	1,514.91	9.69
Top 5 customers	7,457.86	33.81	4,955.48	31.18	4,342.31	27.79
Top 10 customers	11,136.12	50.49	7,253.72	45.64	6,814.78	43.61

- (1) References to 'customers' are to customers (including distributors) in a particular Fiscal and do not refer to the same customers across all Fiscals.
- (2) In Fiscal 2026, our top 10 customers were Deepak Trading Corporation, KMGS Road Signs Private Limited, O K Plus Enterprises, Polymer Coatingss, Vasuuma Road Safety Products and other entities whose names have not been disclosed due to non-receipt of consent.

e) Key Manufacturing Facilities

We have one Manufacturing Facility situated at Khasra No. 25/2/A and 25/2/B, Mouza Shirpur, Nagpur – 440 023, Maharashtra, India. Our Manufacturing Facility is equipped with modern machinery and equipment which enables us to produce our products across product categories that we offer. The facility has been accredited with ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System) and ISO/IEC 17025:2017 (General Requirements for the Competence of Testing and Calibration Laboratories).

f) Business Strengths and Strategies

Strengths

1. Integrated traffic safety solutions provider with in-house manufacturing and project execution capabilities;
2. Varied product portfolio with diversified applications;
3. Deep market penetration through a comprehensive distribution network and strategically located warehouses;
4. Strategically located and automated manufacturing infrastructure;
5. Consistent financial and operational performance; and
6. Experienced Promoters and senior management team.

Strategies:

1. Deeper penetration into newer product categories and wider applications;
2. Expansion into international markets;
3. Domestic expansion by setting up a warehousing network in India; and
4. Technological Upgradation.

For further details please see "Our Business" beginning on page 179 of the Draft Red Herring Prospectus.

2. Summary of the Industry

The Indian road-marking paint market has experienced steady growth over the past few years. From CY19 to CY25, the market value increased from Rs.1,760.5 crore to Rs.2,931.3 crore reflecting a CAGR of 8.87% and is expected grow at 9.39% CAGR from CY25 to CY29. This growth is driven by infrastructure development, increasing awareness of road safety, and various government initiatives.

In the paint based markings segment, the market has seen a gradual increase, growing from Rs.633.78 crore in CY19 to Rs.1,009.25 crore in CY25, with a CAGR of 9.61% from CY19 to CY25. The performance based markings segment has also shown similar growth. It increased from Rs.1,126.72 crore in CY19 to Rs.1,832.09 crore in CY25, with a CAGR of 8.44% during the same period.

Demand for performance based markings is being driven by the expansion of National Highways, expressways and other high-speed corridors, where greater durability, skid resistance and night time visibility are important performance requirements. Increasing emphasis on road safety, rectification of accident blackspots and the need for markings capable of withstanding higher traffic volumes and adverse weather conditions are also supporting adoption. (*Source: CAREEdge Report*)

For further details please see “*Industry Overview*” beginning on page 137 of the Draft Red Herring Prospectus.

3. Promoters

Amit Arvind Thatte is one of the Promoters, Chairman and Managing Director of our Company. He holds a bachelor’s degree in engineering from Nagpur University. He holds an experience of more than 18 years in the field of road safety marking industry.

Ketaki Amit Thatte is one of the Promoters and Whole-time Director of our Company. She holds a bachelor’s degree and a master’s degree in science from Amravati University. She holds an experience of over 18 years in the field of administration.

Abhishek Amit Thatte is one of the Promoters and Whole-time Director of our Company. He holds a bachelor’s degree in business administration from Flame University. He has an experience of two years in the field of road safety marking industry.

For further details, please see “*Our Promoters and Promoter Group*” on page 251 of the Draft Red Herring Prospectus.

4. Objects of the Offer

We propose to deploy the Net Proceeds in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(Amount ₹ in lakh)

Particulars	Amount to be funded from the Net Proceeds ⁽²⁾	Estimated Deployment	
		As at March 31, 2027	As at March 31, 2028
Funding working capital requirements of our Company	7,000.00	2,500.00	4,500.00
Funding capital expenditure for the upgradation of Manufacturing Facility of our Company	2,804.60	500.00	2,304.60
Funding capital expenditure for purchase of project execution equipment by our Company	901.78	-	901.78
General Corporate purposes ⁽¹⁾⁽²⁾	[●]	[●]	[●]
Total⁽¹⁾⁽²⁾⁽³⁾	[●]	[●]	[●]

⁽¹⁾ To be finalised upon determination of Offer Price and updated in the Prospectus prior to filing with the RoC.

⁽²⁾ The amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

⁽³⁾ Our Company, in consultation with the Book Running Lead Managers, may consider an issue of upto 6,70,000 equity

shares of face value ₹ 10 aggregating up to ₹ [●] lakh as may be permitted under the applicable law, at its discretion, prior to filing of the Red Herring Prospectus with the RoC (“**Pre-IPO Placement**”). The Pre-IPO Placement, if undertaken, will be at a price to be decided by our Company, in consultation with the BRLMs. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to compliance with Rule 19(2)(b) of the SCRR. The Pre-IPO Placement, if undertaken, shall not exceed 20.00% of the size of the Fresh Issue. Prior to the completion of the Offer, our Company shall appropriately intimate the subscribers to the Pre-IPO Placement, prior to allotment pursuant to the Pre-IPO Placement, that there is no guarantee that our Company may proceed with the Offer or the Offer may be successful and will result in listing of the Equity Shares on the Stock Exchanges. Further, relevant disclosures in relation to such intimation to the subscribers to the Pre-IPO Placement (if undertaken) shall be appropriately made in the relevant sections of the Red Herring Prospectus and the Prospectus. Our Company shall report any Pre-IPO Placement to the Stock Exchanges, within 24 hours of such Pre-IPO Placement (in part or in entirety).

5. Pre-Offer and post-Offer shareholding of promoter(s), members of the Promoter Group and top 10 shareholders

The aggregate Equity shareholding and percentage of the pre-Offer paid-up Equity Share capital and post-Offer Equity shareholding, of each of our Promoters, members of our Promoter Group and additional top 10 Shareholders (other than our Promoters and members of the Promoter Group) of our Company is set forth below,

Sr. No.	Name of shareholders	Pre-Offer shareholding as on the date of the Draft Red Herring Prospectus		Post-Offer shareholding as on the date of Allotment			
		No. of Equity Shares of face value of ₹ 10 each	% of shareholding	At the lower end of the Price Band (₹ [●])		At the upper end of the Price Band (₹ [●])	
				No. of Equity Shares of face value of ₹ 10 each*	% of shareholding*	No. of Equity Shares of face value of ₹ 10 each*	% of shareholding*
Promoters							
1.	Amit Arvind Thatte [#]	2,37,79,500	86.77	[●]	[●]	[●]	[●]
2.	Ketaki Amit Thatte [#]	36,25,000	13.23	[●]	[●]	[●]	[●]
3.	Abhishek Amit Thatte	100	Negligible	[●]	[●]	[●]	[●]
Promoter Group							
1.	Niharika Amit Thatte	100	Negligible	[●]	[●]	[●]	[●]
Top 10 shareholders (other than Promoters and Promoter Group)							
1.	Deepjee Ambrishjee Singhal	100	Negligible	[●]	[●]	[●]	[●]
2.	Shubhangi Rajesh Shah	100	Negligible	[●]	[●]	[●]	[●]
3.	Nikita Amarkumar Shah	100	Negligible	[●]	[●]	[●]	[●]
Total		2,74,05,000	100.00				

[#]Also Selling Shareholder

* To be updated prior to filing of the Prospectus with the RoC.

For further details, please see “Capital Structure” beginning on page 96 of the Draft Red Herring Prospectus.

6. Summary of Restated Financial Information

The following details of selected financial information are derived from the Restated Financial Information for the Fiscals 2026, 2025 and 2024:

(₹ in lakhs, except per share data)

Particulars	As at and for the Fiscal		
	2026	2025	2024
Equity Share Capital	2,740.50	2,740.50	94.50
Net Worth ⁽¹⁾	11,553.84	8,870.17	7,210.89
Revenue from operations	22,058.02	15,893.21	15,627.91
EBITDA ⁽²⁾	3,626.45	2,446.11	2,370.32
Profit after tax	2,682.84	1,664.81	1,755.99
Basic Earnings per share ⁽³⁾	9.79	6.07	6.41
Diluted Earnings per share ⁽³⁾	9.79	6.07	6.41
Return on Equity (ROE)(%) ⁽⁴⁾	26.27	20.71	27.72
Return on Capital Employed (ROCE) (%) ⁽⁵⁾	34.86	28.18	38.14
Net Asset Value per Share ⁽⁶⁾ (in ₹)	42.16	32.37	26.31
Total borrowings ⁽⁷⁾	92.01	-	9.25
Net cash flow generated from operating Activities	19.64	373.83	1,487.49
Net cash flow generated from/ (used in) investing Activities	(450.34)	(95.04)	(1,463.56)
Net cash flow generated from/ (used in) financing Activities	(299.94)	(9.43)	(14.35)

Notes:

- ⁽¹⁾ Net worth has been defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- ⁽²⁾ EBITDA is calculated as the sum of profit after tax, total tax expenses, finance costs, and depreciation and amortization expense, as reduced by other income.
- ⁽³⁾ Basic and diluted earnings per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended). The face value of equity shares of the Company is ₹ 10/-.
- ⁽⁴⁾ Return on Equity is calculated as profit after tax for the financial year divided by the Average of total equity at the beginning and end of the respective financial year. Total equity is calculated as sum total of equity share capital and other equity..
- ⁽⁵⁾ Return on capital employed is calculated as PBIT divided by average of total capital employed at the beginning and end of the respective financial year. PBIT is calculated as sum total of profit before tax and finance costs. Capital Employed is calculated as sum total of equity share capital, other equity, current borrowings, current and non-current lease liabilities and deferred tax liabilities as reduced by deferred tax assets.
- ⁽⁶⁾ Net Asset Value per equity share represents net worth as at the end of the fiscal/period, as restated, divided by the number of Equity Shares outstanding at the end of the year/period.
- ⁽⁷⁾ Total borrowings consist of current and non-current borrowings

For further details, please see section “Restated Financial Information”, “Management Discussion and Analysis of Financial Condition and Revenue from Operations” and “Other Financial Information” beginning on pages 257, 313 and 311, respectively of the Draft Red Herring Prospectus.

7. Summary of Key Performance Indicators

The details of our Key Performance Indicators for the Fiscals 2026, 2025 and 2024 is set out below:

(Amount ₹ in lakh, unless otherwise stated)

Particulars	Unit	As at and for the financial year ended March 31,	As at and for the financial year ended March 31,	As at and for the financial year ended March 31,
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		2026	2025	2024
Revenue from operations ⁽¹⁾	₹ Lakhs	22,058.02	15,893.21	15,627.91
Gross Profit ⁽²⁾	₹ Lakhs	6,896.38	5,655.29	5,128.55
Gross Profit Margin (%) ⁽³⁾	%	31.26	35.58	32.82
EBITDA ⁽⁴⁾	₹ Lakhs	3,626.45	2,446.11	2,370.32
EBITDA Margin (%) ⁽⁵⁾	%	16.44	15.39	15.17
Profit after Tax (PAT) ⁽⁶⁾	₹ Lakhs	2,682.84	1,664.81	1,755.99
Profit after Tax Margin (%) ⁽⁷⁾	%	12.16	10.47	11.24
Net Worth ⁽⁸⁾	₹ Lakhs	11,553.84	8,870.17	7,210.89
Return on Equity ⁽⁹⁾	%	26.27	20.71	27.72
Return on Capital Employed ⁽¹⁰⁾	%	34.86	28.18	38.14

Notes:

- (1) Revenue from operations is calculated as sum total of revenue from sale of products, and sale of services.
- (2) Gross Profit is calculated after subtracting cost of goods sold from Revenue from operations. Cost of goods sold is calculated as sum of cost of materials consumed, changes in inventories of finished goods, semi-finished goods, and stock-in-trade and Labour/jobwork charges.
- (3) Gross Profit Margin is calculated as Gross Profit divided by Revenue from operations.
- (4) EBITDA is calculated as the sum of profit after tax, total tax expenses, finance costs, and depreciation and amortization expense, as reduced by other income.
- (5) EBITDA margin is calculated as EBITDA for the financial year divided by Revenue from operations for the respective financial year.
- (6) Profit after Tax means profit after tax for the financial year as derived from Restated Financial Information.
- (7) Profit after Tax margin is calculated as profit after tax for the financial year divided by Revenue from operations for the respective financial year.
- (8) Net Worth is calculated as the aggregate value of the paid up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation, in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations.
- (9) Return on Equity is calculated as profit after tax for the financial year divided by the Average of total equity at the beginning and end of the respective financial year. Total equity is calculated as sum total of equity share capital and other equity.
- (10) Return on capital employed is calculated as PBIT divided by average of total capital employed at the beginning and end of the respective financial year. PBIT is calculated as sum total of profit before tax and finance costs. Capital Employed is calculated as sum total of equity share capital, other equity, current borrowings, current and non-current lease liabilities and deferred tax liabilities as reduced by deferred tax assets.

For further details, please see section “Restated Financial Information”, “Management Discussion and Analysis of Financial Condition and Revenue from Operations” and “Other Financial Information” beginning on pages 257, 313 and 311, respectively of the Draft Red Herring Prospectus.

8. Risk Factors

Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. Details of our top 10 risk factors are set forth below:

1. We are dependent on the sale of products and services of our Hot-applied Thermoplastic marking materials, which accounted for 84.82%, 83.01% and 84.66% of our Revenue from operations during Fiscals 2026, 2025 and 2024, respectively. Any reduction in demand for, or loss of sales of, such sale of products and services, including due to a downturn in their end-use industries, could adversely affect our business, financial condition, results of operations and cash flows;
2. Our business largely depends upon our top 10 customers which contributed to 50.49%, 45.64% and 43.61% in the Fiscals 2026, 2025 and 2024. The loss of any of these customers could have a material adverse effect on our business, financial condition, results of operations and cash flows.
3. We derive a significant portion of our revenue from the manufacture and sale of road safety marking products, while our project execution activities constitute a comparatively smaller part of our operations. Any disruption in our manufacturing operations may also affect our ability to execute projects and could adversely affect our business, results of operations, financial condition and cash flows.

4. We depend on our distributors for the sale of our products, and any termination or non-renewal of our distributor agreements, reduction in sales through such distributors or inability to maintain or expand our distribution network could adversely affect our business, results of operations, financial condition and cash flows.
5. We depend significantly on infrastructure and road development projects, including projects undertaken by Government authorities, public sector entities, engineering, procurement and construction (“EPC”) contractors and other infrastructure developers. Any delay, disruption, deferment, cancellation or reduction in the scope or funding of such projects may adversely affect our business, results of operations and financial condition.
6. We do not have firm commitment agreements with our direct customers. If such customers choose not to source their requirements from us, there may be a material adverse effect on our business, financial condition, cash flows and results of operations.
7. Our project execution contracts contain stringent performance, completion, security, defect rectification and termination provisions, and any failure to comply with such terms may result in liquidated damages, recovery of costs, invocation or forfeiture of performance security or termination of the relevant contract, which could adversely affect our business, financial condition, results of operations and cash flows.
8. We derived 86.37%, 83.02%, 85.53% of our Revenue from operations from our Repeat Customers, for Fiscal 2026, 2025 and 2024, respectively. Any loss of, or a significant reduction in the orders received by us from our Repeat Customers could adversely affect our business, results of operations, financial condition and cash flows.
9. Our products are required to meet prescribed quality, technical and performance specifications, and any failure to comply with such requirements may result in rejection or replacement of products, rework, price reductions, contractual claims or loss of customers, which could adversely affect our business, financial condition, results of operations and cash flows.
10. We highly depend on a few key suppliers who help us procure raw materials for manufacturing our products. We import a significant portion of our raw materials constituting 66.02%, 66.17% and 58.24% of our Cost of raw materials consumed in Fiscals 2026, 2025 and 2024, respectively. Our Company has not entered into long-term agreements with its suppliers for supply of raw materials. In the event we are unable to import or procure adequate amounts of raw materials, at competitive prices our business, results of operations and financial condition may be adversely affected.

For details, see “Risk Factors” beginning on page 29 of the Draft Red Herring Prospectus.

9. The Weighted average cost of acquisition of Equity Shares of our Promoters (including the Promoter Selling Shareholders) as on the date of the Draft Red Herring Prospectus

Name of shareholder	Number of Equity Shares held of face value of ₹ 10 each	Weighted average cost of Acquisition per Equity Share (in ₹)*
Promoters		
Amit Arvind Thatte^	2,37,79,500	0.34
Ketaki Amit Thatte^	36,25,000	0.34
Abhishek Amit Thatte	100	Nil

*As certified by N B T and Co, Chartered Accountants, by way of their certificate dated September 30, 2026.

^Also the Promoter Selling Shareholders

10. Weighted average cost of acquisition of all Equity Shares transacted by the Shareholders in the one year, eighteen months and three years preceding the date of the Draft Red Herring Prospectus is set forth below:

Weighted average cost of acquisition of all Equity Shares transacted by the Shareholders in the one year, eighteen months and three one years preceding the date of the Draft Red Herring Prospectus is set forth below:

Period	Weighted average cost of	Cap Price is ‘X’ times the weighted	Range of acquisition price:
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	acquisition (in ₹) ^{s^}	average cost of acquisition*	Lowest Price – Highest Price (in ₹) [^]
Last one year preceding the date of the Draft Red Herring Prospectus	Not Applicable	[•]	Not Applicable
Last eighteen months preceding the date of the Draft Red Herring Prospectus	40.00	[•]	40.00 – 40.00
Last three years preceding the date of the Draft Red Herring Prospectus	40.00	[•]	40.00 – 40.00

^sExcluding Gift and Bonus transactions

^{*}To be updated prior to filing of the Prospectus with the RoC

[^]As certified by N B T and Co, Chartered Accountants (FRN 140489W) pursuant to their certificate dated September 30, 2026.

For details of shareholding of our Promoters and Promoter Selling Shareholder, see “*Capital Structure*” beginning on page 96 of the Draft Red Herring Prospectus.

11. Board of Directors and Key Managerial Personnel

The names and designations of the members of the Board of Directors and Key Managerial Personnel are set forth below:

Name	Designation
Amit Arvind Thatte	Chairman and Managing Director
Ketaki Amit Thatte	Whole-time Director
Abhishek Amit Thatte	Whole-time Director
Apurva Pradeep Joshi	Independent Director
Kurian Pallathuseril Chandy	Independent Director
Satish Madhav Shenoy	Independent Director
Sanket Gunjekar	Chief Financial Officer
Milind Suryakant Rao	Company Secretary and Compliance Officer of our Company

For further details, see “*Our Management*” beginning on page 233 of the Draft Red Herring Prospectus.

12. Auditors Qualifications

As on the Draft Red Herring Prospectus, the Statutory Auditors of our Company have not expressed any emphasis of matter or remarks or other observation on our financial statements for the periods covered in the Draft Red Herring Prospectus.

13. Summary table of outstanding litigations

A summary of the pending tax proceedings and other material litigations involving our Company, Subsidiary, Directors, Promoters, KMPs, SMPs have been provided below:

Name	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material civil litigation [#]	Aggregate amount involved* (₹ in lakhs)
Company						
By our Company	1	N.A.	N.A.	N.A.	Nil	3.78
Against our Company	Nil	11	Nil	N.A.	Nil	214.83

Name	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material civil litigation [#]	Aggregate amount involved* (₹ in lakhs)
Directors (excluding Promoter Directors)						
By our Directors	Nil	N.A.	N.A.	N.A.	Nil	Nil
Against our Directors	Nil	2	Nil	N.A.	Nil	3.01
Promoters						
By our Promoters	1	N.A.	N.A.	N.A.	Nil	3.60
Against our Promoters	Nil	5	Nil	Nil	Nil	6.33
KMP and SMP						
By our KMP and SMP	Nil	N.A.	N.A.	N.A.	N.A.	Nil
Against our KMP and SMP	Nil	Nil	Nil	N.A.	N.A.	Nil
Subsidiary						
By our Subsidiary	Nil	N.A.	N.A.	N.A.	Nil	Nil
Against our Subsidiary	Nil	Nil	Nil	N.A.	Nil	Nil

[#]Determined in accordance with the Materiality Policy.

*To the extent quantifiable.

We confirm that as on date of the Draft Red Herring Prospectus, the litigations involving our Company and our Group Company are not so major that our survival is dependent on the outcome of any such pending litigation.

For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Material Developments*” beginning on page 347 of the Draft Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States (as defined in Regulation S under the U.S. Securities Act (“Regulation S”) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. The Equity Shares are being offered and sold only outside the United States in “offshore transactions” as defined in and in reliance on Regulation S.