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DRAFT RED HERRING PROSPECTUS

Dated September 4, 2025

Please read section 32 of the Companies Act, 2013

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)

100% Book Built Offer



HY-TECH ENGINEERS LIMITED

Corporate Identity Number: U99999MH1978PLC020853

REGISTERED AND CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Plot No. A-160, Main Road, Wagle Industrial Estate, Thane-400604, Maharashtra.	Sai Yashwant Ranadive <i>Company Secretary and Compliance Officer</i>	Email: hytechcs@hy-techengineers.com Telephone: +91 22 4097 1916	www.hy-techengineers.com

OUR PROMOTERS ARE HEMANT TUKARAM MONDKAR, SUREKHA HEMANT MONDKAR AND ASHWIN HEMANT MONDKAR

DETAILS OF THE OFFER TO THE PUBLIC

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs, & RIIs
Fresh Issue and Offer for Sale	Up to [●] Equity Shares of face value ₹5 each aggregating up to ₹700.00 million	Up to 11,933,120 Equity Shares of face value ₹5 each aggregating up to ₹ [●] million	Up to [●] Equity Shares of Face Value of ₹5 each aggregating up to ₹ [●] million	This Offer is being made pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For details, see “Other Regulatory and Statutory Disclosures – Eligibility for the Offer” on page 335. For further details in relation to share reservation among QIBs, NIIs, RIBs, see “Offer Structure” on page 375.

DETAILS OF THE OFFER FOR SALE

NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE OF FACE VALUE OF ₹5 (IN ₹)#
Hemant Tukaram Mondkar	Promoter Selling Shareholder	Up to 7,500,000 Equity Shares of face value ₹5 each aggregating up to ₹ [●] million	0.22
Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar	Promoter Selling Shareholder	Up to 4,433,120 Equity Shares of face value ₹5 each aggregating up to ₹ [●] million	0.12

#As certified by Nayan Parikh & Co., Chartered Accountants, by way of their certificate dated September 4, 2025.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹5 each. The Floor Price, Cap Price and Offer Price as determined by our Company, in consultation with the BRLM in accordance with the SEBI ICDR Regulations, 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 121, 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 active and/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 investors 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 this Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the Bidders is invited to “Risk Factors” on page 32.

ISSUER’S AND PROMOTER SELLING SHAREHOLDERS’ ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 this 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 this 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 the statements made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to them and their portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares of face value of ₹5 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”, and together with the BSE, the “Stock Exchanges”). For the purposes of the Offer, [●] is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER					
Name and Logo of the Book Running Lead Manager		Contact Person		Telephone and Email	
 Merchant Banking PCG Equity Broking PMS New Berry Capitals Private Limited		Satish Mangutkar / Ankur Sharma		Email: project.darwin@newberry.in Contact No.: +91 22 4881 8442	
REGISTRAR TO THE OFFER					
Name and Logo of the Registrar		Contact Person		Email and Telephone	
 Bigshare Services Private Limited		Babu Raphael		Email: ipo@bigshareonline.com Contact No.: +91 22 6263 8200	
BID/ OFFER PERIOD					
ANCHOR INVESTOR OFFER OPENS/ CLOSES ON	[●] ⁽¹⁾	BID/ OFFER OPENS ON	[●]	BID/ OFFER CLOSES ON [#]	[●] ^{(2)#}

⁽¹⁾ Our Company, in consultation with the Book Running Lead Manager, 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.

⁽²⁾ Our Company may, in consultation with the Book Running Lead Manager, 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.

UPI mandate end time and date shall be at 5.00 p.m. on the Bid/Offer Closing Date.

DRAFT RED HERRING PROSPECTUS

Dated September 4, 2025

Please read section 32 of the Companies Act, 2013

(This Draft Red Herring Prospectus will be updated upon filing with the RoC)

100% Book Built Offer**HY-TECH ENGINEERS LIMITED**

Our Company was incorporated as 'Hy-Tech Engineers Private Limited', as a private limited company under the provisions of the Companies Act, 1956, pursuant to a certificate of incorporation dated December 18, 1978, issued by Registrar of Companies, Maharashtra at Mumbai ("RoC"). Subsequently, our Company was converted into a public limited company and the name of our Company was changed to 'Hy-Tech Engineers Limited' pursuant to a resolution passed by our Board on February 18, 2022, a special resolution passed by our Shareholders dated February 24, 2022 and a fresh certificate of incorporation dated March 23, 2022 was issued by the RoC. For details in relation to the changes in our Registered Office, see "History and Certain Corporate Matters" beginning on page 199.

Registered and Corporate Office: Plot No. A-160, Main Road, Wagle Industrial Estate, Thane - 400604, Maharashtra.

Contact Person: Sai Yashwant Ranadive, Company Secretary and Compliance Officer; **Tel. No.:** +91 22 4097 1916;

E-mail: hytechcs@hy-techengineers.com; **Website:** www.hy-techengineers.com; **Corporate Identity Number:** U99999MH1978PLC020853

OUR PROMOTERS ARE HEMANT TUKARAM MONDKAR, SUREKHA HEMANT MONDKAR AND ASHWIN HEMANT MONDKAR

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹5 EACH ("EQUITY SHARES") OF HY-TECH ENGINEERS LIMITED ("COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION ("THE OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 700.00 MILLION BY OUR COMPANY (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 11,933,120 EQUITY SHARES CONSISTING OF UP TO 7,500,000 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO ₹ [●] MILLION BY HEMANT TUKARAM MONDKAR AND UP TO 4,433,120 EQUITY SHARES OF FACE VALUE OF ₹5 EACH BY SUREKHA HEMANT MONDKAR JOINTLY WITH HEMANT TUKARAM MONDKAR AGGREGATING UP TO ₹ [●] MILLION (COLLECTIVELY REFERRED TO AS THE "PROMOTER SELLING SHAREHOLDERS" AND SUCH EQUITY SHARES OFFERED BY THE PROMOTER SELLING SHAREHOLDERS, "OFFERED SHARES"). THE OFFER SHALL CONSTITUTE UP TO [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹5 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF EQUITY SHARES. THE PRICE BAND AND MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN ALL EDITIONS OF [●], AN ENGLISH NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION, ALL EDITIONS OF [●], A HINDI NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION AND [●] EDITIONS OF [●], A MARATHI DAILY NEWSPAPER (MARATHI BEING REGIONAL LANGUAGE OF MAHARASHTRA WHERE THE REGISTERED AND CORPORATE OFFICE OF OUR COMPANY IS SITUATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") TOGETHER WITH THE BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES, IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS. THE OFFER SHALL CONSTITUTE [●]%, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

In case of any revision to the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Offer Period not exceeding ten Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company in consultation with Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding ten Working Days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and at the terminals of the Syndicate Members and by intimation to the Self-Certified Syndicate Banks ("SCSBs") other Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("QIB Portion"), provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price ("Anchor Investor Portion"). In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA accounts and UPI ID (in case of UPI Bidders) (as defined hereinafter), in which case the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as applicable to participate in the Offer. Anchor Investors are not permitted to participate in the Anchor Investor Portion of the Offer through the ASBA process. For details, see "Offer Procedure" on page 354 of this Draft Red Herring Prospectus.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹5. The Floor Price, Cap Price and Offer Price, each as determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations, and as stated in "Basis for Offer Price" on page 121, should not be taken 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 or 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 investment. Investors 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 of face value of ₹5 each 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 this Draft Red Herring Prospectus. Specific attention of the Bidders is invited to "Risk Factors" beginning on page 32.

ISSUER'S AND PROMOTER SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this 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 this 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 this 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 the statements made or confirmed by such Selling Shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to them and their portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, [●] is the Designated Stock Exchange. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 414.

BOOK RUNNING LEAD MANAGER**REGISTRAR TO THE OFFER**

 New Berry Capital Private Limited A-602 Marathon NextGen Innova, Ganpatrao Kadam Marg, Veer Santaji Lane, Lower Parel, Mumbai, Maharashtra, India, 400013 Contact No.: +91 22 48818442 Email: project.darwin@newberry.in Investor grievance email: grievances@newberry.in Contact Person: Satish Mangutkar / Ankur Sharma Website: www.newberry.in SEBI Registration Number: INM000012999 CIN: U67190MH2007PTC174445	 Bigshare Services Private Limited Office No. S6-2, 6th Floor, Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai-400093. Contact No.: +91 22 6263 8200 Email: ipo@bigshareonline.com Investor grievance email: investor@bigshareonline.com Contact Person: Babu Raphael Website: www.bigshareonline.com SEBI Registration Number: INR000001385 CIN: U99999MH1994PTC076534

BID/ OFFER PROGRAMME

ANCHOR INVESTOR BID/OFFER PERIOD	[●] ⁽¹⁾	BID/OFFER OPENS ON	[●]	BID/OFFER CLOSING ON	[●] ⁽²⁾⁽³⁾

⁽¹⁾ Our Company shall, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor 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 Manager, 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 5.00 p.m. on the Bid/ Offer Closing Date

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislations, acts, statutes, regulations, rules, circulars, notifications, clarifications, directions, or policies will, unless the context otherwise requires, be deemed to be as amended, updated, supplemented, re-enacted or modified, from time to time, and any reference to a statutory provision shall include any subordinate legislation made, from time to time, under such provision.

The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the same meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the Listing Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder, as applicable. Further, the Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document (as defined hereinafter). In case of any inconsistency between the definitions used in this Draft Red Herring Prospectus and the definitions included in the General Information Document, the definitions used in this Draft Red Herring Prospectus shall prevail.

Notwithstanding the foregoing, the terms not defined herein but used in “Industry Overview”, “Key Industry Regulations and Policies”, “Statement of Possible Special Tax Benefits”, “Restated Consolidated Financial Information”, “Basis for Offer Price”, “Outstanding Litigations and Material Developments”, “Offer Procedure” and “Description of Equity Shares and Main Provisions of Articles of Association”, “History and Certain Corporate Matters”, “Financial Indebtedness” and “Other Regulatory and Statutory Disclosures” beginning on pages 137, 194, 130, 227, 121, 325, 354, 376, 199, 286 and 334 respectively will have the meaning ascribed to such terms in those respective sections.

General Terms

Term	Description
“Our Company”, “the Company” or “the Issuer”	Hy-Tech Engineers Limited, a public limited company incorporated under the provisions of Companies Act 1956 and having its registered and corporate office at Plot No. A-160, Main Road, Wagle Industrial Estate, Thane-400604, Maharashtra.
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company and our Subsidiary on a consolidated basis

Company Related Terms

Term	Description
“Articles of Association” or “AoA” or “Articles”	Articles of association of our Company, as amended from time to time
“Audit Committee”	Audit committee of our Board, as described in “ <i>Our Management - Committees of the Board – Audit Committee</i> ” on page 211
“Auditors” or “Statutory Auditors”	The current statutory auditors of our Company, namely, M/s. G. M. Kapadia & Co., Chartered Accountants
“Board” or “Board of Directors”	The board of directors of our Company as described in “ <i>Our Management – Board of Directors</i> ” on page 204
“Chief Financial Officer” or “CFO”	The chief financial officer of our Company, being Sunil Satwani. For further details, see “ <i>Our Management – Key Managerial Personnel and Senior Management</i> ” on page 217
“Committee(s)”	Duly constituted committee(s) of our Board as described in “ <i>Our Management – Committees of the Board</i> ” on page 211
“Company Secretary and Compliance Officer”	The company secretary and compliance officer of our Company, being Sai Yashwant Ranadive. For further details, see “ <i>Our Management – Key Managerial Personnel and Senior Management</i> ” on page 217

Term	Description
“Corporate Social Responsibility Committee”	The corporate social responsibility committee of our Board, as described in “ <i>Our Management - Committees of the Board – Corporate Social Responsibility Committee</i> ” on page 215
“Director(s)”	The directors on our Board, as appointed from time to time. For further details, see “ <i>Our Management – Board of Directors</i> ” on page 204
“Equity Shares”	The equity shares of our Company of face value of ₹5 each
“Group Companies”	The companies identified as a ‘group company’ in accordance with the SEBI ICDR Regulations, as disclosed in section “ <i>Group Companies</i> ” on page 224
“Independent Chartered Accountant”	Nayan Parikh & Co., Chartered Accountants
“Independent Director(s)”	The Independent director(s) of our Company, appointed as per the Companies Act, 2013 and the SEBI Listing Regulations, as described in “ <i>Our Management – Board of Directors</i> ” on page 204
“Kavathe Unit”	Our manufacturing facility located at Gat No. 26/1/1, 43/B Mouje-Kavathe, Taluka Khandala, District Satara, Maharashtra- 412801
“Key Managerial Personnel” or “KMP”	Key managerial personnel of our Company Regulation 2(1)(bb) of the SEBI ICDR Regulations and in terms of section 2(51) of the Companies Act as described in “ <i>Our Management – Key Managerial Personnel</i> ” on page 217
“Managing Director” or “MD”	Managing Director of our Company, being Hemant Tukaram Mondkar. For further details, see “ <i>Our Management – Key Managerial Personnel and Senior Management</i> ” on page 217
“Manufacturing Facilities”	Collectively, Kavathe Unit, Nashik Unit, Pithampur Unit-I, Pithampur Unit-II, Shirwal Unit and Thane Unit.
“Materiality Policy”	The policy adopted by our Board on July 22, 2025, for identification of: (a) outstanding material litigation; (b) Group Companies; and (c) material creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus
“Memorandum of Association” or “MoA”	Memorandum of Association of our Company, as amended from time to time
“Nashik Unit”	Our manufacturing facility located at K-06 MIDC Ambad, Nashik, Maharashtra- 422010
“Nomination and Remuneration Committee”	The nomination and remuneration committee of our Board as described in “ <i>Our Management - Committees of the Board – Nomination and Remuneration Committee</i> ” on page 213
“Non-Executive Director(s)”	Non-executive director(s) of our Company. For further details, see “ <i>Our Management – Board of Directors</i> ” on page 204
“Pithampur Unit-I”	Our manufacturing facility located at Plot no. 531 A & B, & 532, Industrial Area, Sector No. 3, Pithampur Tehsil & District, Dhar-454774
“Pithampur Unit-II”	Our manufacturing facility located at Plot No. 372, Pithampur Industrial Area, Sector No. 3, Bagdun Tehsil & District, Dhar-454774
“Promoter(s)”	Our Promoters, namely Hemant Tukaram Mondkar, Surekha Hemant Mondkar and Ashwin Hemant Mondkar
“Promoter Group”	Individuals and entities which constitute the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Promoters and Promoter Group</i> ” on page 220
“Registered and Corporate Office”	The registered and corporate office of our Company, situated at Plot No. A-160, Main Road, Wagle Industrial Estate, Thane - 400604, Maharashtra
“Registrar of Companies” or “RoC”	Registrar of Companies, Maharashtra at Mumbai
“Restated Consolidated Financial Information”	Restated Consolidated Financial Information of our Company for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, comprising the restated consolidated financial statement of assets and liabilities of our Company for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023; the restated

Term	Description
	consolidated financial statement of profit and loss (including other comprehensive loss) for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, the restated consolidated financial statement of changes in equity for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, the restated consolidated cash flows statements for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023 and, the summary statement of material accounting policies and other explanatory information for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the Statement of Adjustments to the Audited Consolidated Financial Statements for the financial years ended and as at March 31, 2025, March 31, 2024 and March 31, 2023. respectively, prepared by the Management of the Company in connection with its proposed Initial Public Offer of equity shares and the offer for sale by existing shareholders (the “Offer”) prepared in terms of the requirements of: Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended from (the “Act”); The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “ICDR Regulations”); and The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the “ICAI”), (the “Guidance Note”).
“Promoter Selling Shareholders”	Collectively, Hemant Tukaram Mondkar and Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar
“Scheme of Amalgamation”	The scheme of amalgamation of Hy-Tech Vehicle Fittings Private Limited with our Company filed under sections 391 to 394 of the Companies Act, 1956, as sanctioned by the Hon’ble High Court of Bombay pursuant to its order dated October 26, 2007. The appointed date of the Scheme of Amalgamation was April 1, 2006.
“Shareholders”	Equity shareholder(s) of our Company from time to time
“Senior Management Personnel” or “SMP”	The senior management of our Company in terms of Regulation 2(1)(bbbbb) of the SEBI ICDR Regulations and as disclosed in “Our Management – Senior Management Personnel” on page 217
“Stakeholders’ Relationship Committee”	The Stakeholders’ relationship committee of our Board, as described in “Our Management - Committees of the Board – Stakeholders Relationship Committee” on page 214
“Subsidiary”	The subsidiary of our Company, namely Hytech ACR Private Limited, as described in “History and Certain Corporate Matters - Our Subsidiary” beginning on page 201
“Thane Unit”	Our manufacturing facility located at Plot No A-160, Main Road, Wagle Industrial Estate, Thane West – 400604

Offer Related Terms

Term	Description
“Abridged Prospectus”	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf
“Acknowledgement Slip”	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
“Allot” or “Allotment” or “Allotted”	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of Offered Shares pursuant to the Offer for Sale to successful Bidders.
“Allotment Advice”	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
“Allottee”	A successful Bidder to whom the Equity Shares are Allotted

Term	Description
“Anchor Investor”	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100.00 million
“Anchor Investor Allocation Price”	The price at which Equity Shares will be allocated to Anchor Investors during the Anchor Investor Bid/Offer Period in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager
“Anchor Investor Application Form”	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
“Anchor Investor Bid/Offer Period” or “Anchor Investor Bidding Date”	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors and allocation to Anchor Investors shall be completed
“Anchor Investor Offer Price”	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the Book Running Lead Manager
“Anchor Investor Pay – in Date”	With respect to Anchor Investor(s), the Anchor Investor Bid/Offer Period and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Offer Price a date being, not later than two Working Days after the Bid/Offer Closing Date
“Anchor Investor Portion”	Up to 60% of the QIB Portion, which may be allocated by our Company in consultation with the Book Running Lead Manager, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
“Application Supported by Blocked Amount” or “ASBA”	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the ASBA Account and includes applications made by RIBs using the UPI Mechanism where the Bid Amount was blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism
“ASBA Account”	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of an RIB which was blocked upon acceptance of a UPI Mandate Request made by the RIBs using the UPI Mechanism
“ASBA Bid”	A Bid made by an ASBA Bidder
“ASBA Bidders”	All Bidders except Anchor Investors
“ASBA Form”	An application form, whether physical or electronic, which shall be used by ASBA Bidders to submit Bids and shall be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
“Banker(s) to the Offer”	Collectively, Escrow Collection Bank(s), Public Offer Account Bank(s), Sponsor Bank(s) and Refund Bank(s)
“Basis of Allotment”	The basis on which Equity Shares will be Allotted to successful Bidders under the Offer as described in “Offer Procedure” beginning on page 354 of this Draft Red Herring Prospectus
“Bid(s)”	An indication by an ASBA Bidder to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form or during the Anchor Investor Bid/ Offer Period by an Anchor Investor, pursuant

Term	Description
	to submission of the Anchor Investor Application Form , to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations and in terms of this Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly
“Bid Amount”	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of RIBs Bidding at the cut-off price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid.
“Bid cum Application Form”	Anchor Investor Application Form or the ASBA Form, as the context requires
“Bid Lot”	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
“Bid/ Offer Closing Date”	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in all editions of [●], an English national daily newspaper with wide circulation, all editions of [●], a Hindi national daily newspaper with wide circulation and [●] editions of [●], a Marathi daily newspaper (Marathi being regional language of Maharashtra where the Registered and Corporate office of our Company is situated). Our Company, in consultation with the Book Running Lead Manager, 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. In case of any revisions, the revised Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchanges and shall also be notified on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Banks, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date will be published, as required under the SEBI ICDR Regulations
“Bid/ Offer Opening Date”	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be notified in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located), each with wide circulation.
Bid/ Offer Period	Except in relation to Bids by Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations and in terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days.
“Bidder” or “Applicant”	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and

Term	Description
	unless otherwise stated or implied, includes an ASBA Bidder and an Anchor Investor.
“Bidding Centres”	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
“Book Building Process”	The book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
“Book Running Lead Manager” or “BRLM” or “Lead Manager”	The Book Running Lead Manager to the Offer namely, New Berry Capitals Private Limited.
“Broker Centres”	The broker centres notified by the Stock Exchanges where Bidders could submit the ASBA Forms to a Registered Broker (in case of UPI Bidders, only using UPI Mechanism). The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
“CARE”	CARE Analytics and Advisory Private Limited
“CARE Report”	Industry Report titled “ <i>Industry research report on Hydraulic Fittings Industry</i> ” dated September 2025 prepared and issued by CARE Analytics and Advisory Private Limited exclusively commissioned and paid for by us in connection with the Offer, a copy of which will be available on the website of our Company at https://www.hytechengineers.com/ipo-documents.php from the date of this Draft Red Herring Prospectus until the Bid/Offer Closing Date
“CAN” or “Confirmation of Allocation Note”	The note or intimation of allocation of the Equity Shares sent to Anchor Investors who have been allocated Equity Shares on / after the Anchor Investor Bidding Date
“Cap Price”	The higher end of the Price Band, subject to revisions thereto, above which the Offer Price and Anchor Investor open price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price and shall not exceed 120% of the Floor Price
“Cash Escrow and Sponsor Bank Agreement”	The cash escrow and sponsor bank agreement to be entered into amongst our Company, the Promoter Selling Shareholders, the Registrar to the Offer, the BRLM, the Banker(s) to the Offer, the Syndicate Member, for, among other things, the appointment of the Banker(s) to the Offer, collection of the Bid Amounts from the Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
“Client ID”	The client identification number maintained with one of the Depositories in relation to demat account
“Collecting Depository Participant” or “CDP”	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI as per the list available on the websites of BSE and NSE, as updated from time to time
“Cut-off Price”	The Offer Price, finalized by our Company in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only RIBs Bidding in the Retail Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price

Term	Description
“Cut-off Time”	For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on after the Bid/Offer Closing Date
“Demographic Details”	Details of the Bidders including the Bidders’ address, name of the Bidders’ father/ husband, investor status, occupation, bank account details, PAN and UPI ID, wherever applicable
“Designated CDP Locations”	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
“Designated Date”	The date on which funds from the Escrow Account(s) are transferred to the Public Offer Account(s) or the Refund Account(s), as the case may be and instructions are issued to the SCSBs (in case of UPI Bidders using UPI Mechanism, instruction issued through the Sponsor Bank(s)) for the transfer of amounts blocked in the ASBA Accounts to the Public Offer Account(s) or the Refund Account, as the case maybe, in terms of this Red Herring Prospectus and Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Equity Shares will be Allotted to successful Bidders in the Offer
“Designated Intermediary(ies)”	Collectively, the members of the Syndicate, sub-Syndicate or agent , SCSBs (other than in relation to RIBs using the UPI mechanism), Registered Brokers, CDPs and RTA, who are authorized to collect Bid cum Application Forms from the relevant Bidders, in relation to the Offer In relation to ASBA Forms submitted by RIIs and Non-Institutional Investors bidding with an application size of upto ₹5,00,000 (not using the UPI Mechanism) and by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Investors (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.
“Designated RTA Locations”	Such locations of the RTAs where Bidders could submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com).
“Designated SCSB Branches”	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
“Designated Stock Exchange”	[●]
“Draft Red Herring Prospectus” or “DRHP”	The draft red herring prospectus dated September 4, 2025, filed with SEBI and issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the

Term	Description
	Equity Shares will be Allotted and the size of the offer, including any addenda or corrigenda thereto
“Eligible FPI(s)”	FPI(s) that are eligible to participate in the Offer in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an Offer/ invitation under the offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitute an invitation to purchase the Equity Shares
“Eligible NRI(s)”	NRI(s) eligible to invest under FEMA Regulation, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
“Escrow Account(s)”	The no-lien and non-interest-bearing account(s) to be opened with the Escrow Collection Bank(s) and in whose favour Bidders (excluding the ASBA Bidders) will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid
“Escrow Collection Bank”	Bank(s) which are clearing member(s) and registered with SEBI as banker(s) to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●]
“First Bidder” or “Sole Bidder”	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
“Floor Price”	Lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted
“Fraudulent Borrower”	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
“Fresh Issue”	Fresh issue of up to [●] Equity Shares of face value of ₹5 each aggregating to ₹ 700.00 million by our Company
“Fugitive Economic Offender”	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
“General Information Document” or “GID”	The General Information Document for investing in public issues, prepared and issued, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLM
“Gross Proceeds”	The gross proceeds of the Fresh Issue
“Mobile App(s)”	The mobile applications listed on the website of SEBI at www.sebi.gov.in or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism
“Mutual Fund Portion”	The portion of the Offer being 5% of the net QIB Portion consisting of [●] Equity Shares of face value of ₹5 each which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
“Mutual Funds”	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
“Net Proceeds”	The proceeds of the Fresh Issue less our Company’s share of the Offer related expenses. For further details, regarding the use of the Net Proceeds and the Offer expenses, see “ <i>Objects of the Offer – Offer related expenses</i> ” on page 117
“Net QIB Portion”	QIB Portion, less the number of Equity Shares Allotted to the Anchor Investors

Term	Description
“Non-Institutional Bidders” or “Non-Institutional Investors”/ “NIIs” or “Non-Institutional Category/ Portion”	All Bidders that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs). The portion of the Offer being not less than 15% of the Offer consisting of [●] Equity Shares of face value of ₹5 each, available for allocation to Non-Institutional Investors, of which one-third shall be available for allocation to Bidders with an application size of more than ₹ 2,00,000 and up to ₹ 1,000,000 and two-thirds shall be available for allocation to Bidders with an application size of more than ₹1,000,000 provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors subject to valid Bids being received at or above the Offer Price
“Non-Resident”	Person resident outside India, as defined under FEMA and includes NRIs, FVCIs and FPIs
“Offer”	Initial public offering of up to [●] Equity Shares of face value of ₹5 each of our Company for cash at a price of ₹[●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million, comprising the Fresh Issue and the Offer for Sale For further information, see “ <i>The Offer</i> ” on page 73
“Offer Agreement”	Offer Agreement dated September 4, 2025 entered amongst our Company, the Promoter Selling Shareholders and the Book Running Lead Manager, pursuant to which certain arrangements have been agreed to in relation to the Offer
“Offer for Sale”	The Offer for Sale of up to 11,933,120 Equity Shares aggregating to ₹[●] million by the Promoter Selling Shareholders
“Offer Price”	The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company in consultation with the BRLM in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company, in consultation with the Book Running Lead Manager, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.
“Offer Proceeds”	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale (net of their respective portion of Offer-related expenses and relevant taxes thereon) which shall be available to the Promoter Selling Shareholders. For further information about use of the Offer Proceeds, see “ <i>Objects of the Offer</i> ” beginning on page 105
“Offered Shares”	Up to 11,933,120 Equity Shares of face value of ₹5 each aggregating to ₹[●] million being offered by the Promoter Selling Shareholders in the Offer for Sale
“Price Band”	The price band ranging from the Floor Price of ₹ [●] per Equity Share to the Cap Price of ₹ [●] per Equity Share, including any revisions thereto. The Price Band and minimum Bid Lot, as decided by our Company, in consultation with the BRLM, will be advertised in all editions of [●], an English national daily newspaper with wide circulation, all editions of [●], a Hindi national daily newspaper with wide circulation and [●] editions of [●], a Marathi daily newspaper (Marathi being regional language of Maharashtra where the Registered and Corporate Office of our Company is situated), at least two Working Days prior to the Bid/ Offer Opening Date, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
“Pricing Date”	The date on which our Company, in consultation with the Book Running Lead Manager, will finalize the Offer Price

Term	Description
“Prospectus”	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addendum or corrigendum thereto
“Public Offer Account”	The ‘no-lien’ and ‘non-interest bearing’ bank account to be opened with the Public Offer Account Bank(s), under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
“Public Offer Account Bank”	Bank(s) which are a clearing member and registered with SEBI as a banker to an issue and with whom the Public Offer Account(s) is opened in case being [●].
“Qualified Institutional Buyers” or “QIBs” or “QIB Bidders”	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
“QIB Category” or “QIB Portion”	The portion of the Offer being not more than 50% of the Offer or [●] Equity Shares of face value of ₹5 each, available for allocation to QIBs on a proportionate basis subject to valid Bids being received at or above the Offer Price
“Red Herring Prospectus” or “RHP”	The Red Herring Prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three working days before the Bid/ Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date.
“Refund Account”	The ‘no-lien’ and ‘non-interest bearing’ account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
“Refund Bank”	Banker(s) to the Offer and with whom the Refund Account will be opened, in this case being [●]
“Registered Brokers”	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stockbrokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, and the UPI circulars issued by SEBI.
“Registrar Agreement”	The registrar agreement dated September 1, 2025 entered into between our Company, the Promoter Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
“Registrar and Share Transfer Agents” or “RTAs”	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the list available on the websites of BSE https://www.bseindia.com/ and NSE https://www.nseindia.com/ , and the UPI Circulars.
“Registrar to the Offer” or “Registrar”	Bigshare Services Private Limited
“Retail Individual Bidder(s)” or “RIB(s)” or “Retail Individual Investor(s)” / “RII(s)”	The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares of face value of ₹5 each, available for allocation to Retail Individual Investors as per the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.
“Resident Indian”	A person resident in India, as defined under FEMA
“Revision Form”	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or

Term	Description
	the Bid Amount) at any stage. Retail Individual Bidders Bidding in the Retail Portion can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date.
“Self-Certified Syndicate Bank(s)” or “SCSB(s)”	The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in as applicable, or such other website as updated from time to time, and the banks registered with SEBI, offering services in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in . Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is appearing in the “list of mobile applications for using UPI in public issues” displayed on SEBI website at www.sebi.gov.in . Updated from time to time or such other websites as updated from time to time
“Share Escrow Agent”	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely, [●]
“Share Escrow Agreement”	The share escrow agreement to be entered into between our Company, the Promoter Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Promoter Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment.
“SMS”	Short Messaging Service
“Specified Locations”	Bidding Centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time.
“Sponsor Bank(s)”	Banker(s) to the Offer, to be appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and/ or payment instructions of UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars in this case being [●].
“Stock Exchanges”	Collectively, the BSE and the NSE
“Sub-Syndicate Member”	The sub-syndicate members, if any, appointed by the BRLM and the Syndicate Member, to collect ASBA Forms and Revision Forms.
“Syndicate Agreement”	The syndicate agreement to be entered into between our Company, the Promoter Selling Shareholders, the member of the Syndicate and the Registrar to the Offer in relation to the procurement of Bid cum Application Forms by the Syndicate.
“Syndicate Member”	Intermediaries (other than BRLM) registered with SEBI who are permitted to carry out activities in relation to collection of bids and as underwriters, namely [●].
“Syndicate” or “members of the Syndicate”	Together, the Book Running Lead Manager and the Syndicate Member
“Underwriters”	[●]
“Underwriting Agreement”	Agreement dated [●] to be entered amongst our Company, the Promoter Selling Shareholders and the Underwriters on or after the Pricing Date but prior to filing of the Prospectus with the RoC
“UPI”	Unified payments interface which is an instant payment mechanism, developed by NPCI
“UPI Bidders”	Collectively, individual Bidders applying as (i) Retail Individual Bidders in the Retail Portion, (ii) Non-Institutional Bidders with a Bid Amount of up to ₹ 500,000 in the Non-Institutional Portion by using the UPI Mechanism. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 are required to use UPI Mechanism and are required to provide their UPI

Term	Description
	ID in the Bid cum Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
“UPI Circulars”	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI circular no. SEBI/HO/DEPA-II/DEPA-II_SRG/P/CIR/2025/86 dated June 11, 2025 (to the extent these are not rescinded by the SEBI ICDR Master Circular and SEBI RTA Master Circular), the SEBI RTA Master Circular, the SEBI ICDR Master Circular (to the extent that these circulars pertain to the UPI Mechanism), and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchanges in this regard, including the circulars issued by NSE having reference no. 23/2022 dated July 22, 2022, and having reference no. 25/2022 dated August 3, 2022, and the circulars issued by BSE having reference no. 20220702-30 dated July 22, 2022, and having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by the Stock Exchanges in this regard
“UPI ID”	ID created on the UPI for single-window mobile payment system developed by the NPCI
“UPI Mandate Request”	A request (intimating the UPI Bidder(s) by way of a notification on the UPI linked mobile application and by way of an SMS on directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
“UPI Mechanism”	The bidding mechanism as used by UPI Bidders as mode of payment in terms of the UPI Circulars
“UPI PIN”	Password to authenticate UPI transaction
“Wilful Defaulter”	Wilful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
“Working Day”	All days on which commercial banks in Mumbai are open for business provided however, with reference to (a) announcement of Price Band and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business and (c) the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI including the UPI circulars.

Technical/Industry Related Terms or Abbreviations

Term	Description
3D	Three Dimensional
BSP	British Standard Pipe
CM	Centimetre
CNC	Computerised Numerical Control
ERP	Enterprise Resource Planning
EV	Electric Vehicle
IATF	International Automotive Task Force
ISO	International Organisation for Standardisation
IT	Information Technology
JIC	Joint Industry Council

Term	Description
JIS	Japanese Industrial standards
JIT	Just in Time
KAVACH	Automatic Train Protection (ATP) system indigenously developed by Research Designs & Standards Organisation
LCV	Light Commercial Vehicle
MHCV	Medium and Heavy Commercial Vehicle
MRO	Maintenance, Repair and Operations
MSEB	Maharashtra State Electricity Board
MT	Metric Tonnes
NPT	National Pipe Thread
OEM	Original Equipment Manufacturer
OHSAS	Occupational Health and Safety Assessment Specification
PLI	Product Linked Incentive
PO	Purchase Order
R&D	Research & Development
RM	Raw Material
SAE	Society of Automotive Engineers
WIP	Work in Progress

Conventional and General Terms or Abbreviations

Term	Description
“₹” or “Rs.” Or “Rupees” or “INR”	Indian Rupees, the official currency of the Republic of India
A/c	Account
AIFs	Alternative Investments Funds
AGM	Annual General Meeting
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Capital Employed	Capital employed is calculated as total assets less current liabilities
CARO	Companies Auditor's Report Order, 2020
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CERSAI	Central Registry of Securitization Asset Reconstruction and Security Interest of India
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
Companies Act or Companies Act 2013	Companies Act, 2013 to the extent in force pursuant to the notification of sections by the Ministry of Corporate Affairs, Government of India as of the date of this Red Herring Prospectus, along with the relevant rules made thereunder
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have an effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Compensation Guidelines	Guidelines on Compensation of Key Managerial Personnel and Senior Management in NBFCs dated April 29, 2022
Competition Act	The Competition Act, 2002
COVID-19	Coronavirus disease 2019, a respiratory illness caused by the Novel Coronavirus and a public health emergency of international concern

Term	Description
	as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CSR	Corporate Social Responsibility
Debt to Equity	Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).
Demat	Dematerialized
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
Dist./Dist	District
DP or Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository Participant's Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion)
DRT	Debt Recovery Tribunal
EBIT	Earnings before interest and tax
EBITDA	EBITDA is calculated as restated profit for the year/ period, plus total tax expenses, finance costs and depreciation and amortization expenses
EBITDA Margin	EBITDA Margin is the percentage of EBITDA divided by revenue from operations
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
Est.	Estimated
EU	European Union
Euro or €	Euro, the official currency of the Eurozone
FCNR	Foreign Currency Non-Resident
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the provisions of FEMA
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, effective from October 15, 2020
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations there under
FEMA Non-debt Instruments Rules/ FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FEMA Regulations	The Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 and the Foreign Exchange Management (Debt Instruments) Regulations, 2019, as applicable
Financial Year/ Fiscal/Fiscal Year/ FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIR	First information report
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
FVCI(s)	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GAAR	General Anti-Avoidance Rules
Gazette	Gazette of India
GDP	Gross domestic product
GoI or Government or Central Government	Government of India

Term	Description
GST	Goods and services tax
GVA	Gross value added
HNI	High Net worth Individual
H.R./HR	Human Resources
HUF	Hindu undivided family
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ICAI Guidance Note	Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Ind AS 24	Indian Accounting Standard 24, “Related Party Disclosures”, notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015
Ind AS 37	Indian Accounting Standard 37, “Provisions, Contingent Liabilities and Contingent Assets”, notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015
Ind AS 110	Indian Accounting Standard 110, “Consolidated Financial Statements”, notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
India	Republic of India
Indian GAAP/ IGAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
IPO	Initial public offering
IST	Indian Standard Time
IT	Information Technology
IT Act or Income Tax Act	The Income Tax Act, 1961
KYC	Know your customer
Listing Agreement	The equity listing agreement to be entered into by our Company with each of the Stock Exchanges
Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
MCA	Ministry of Corporate Affairs
MICR	Magnetic Ink Character Recognition
MIDC	Maharashtra Industrial Development Corporation
Mn/ mn	Million
MSMEs	Micro, small or a medium enterprise
m-o-m	Month on Month
Mutual Funds	Mutual funds registered under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N/A/ N.A./ NA	Not applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Funds Transfer
Net Worth	Net worth means 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

Term	Description
	balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
No(s).	Number(s)
Non- GAAP Measure(s)	Non-GAAP measures comprise EBIT, EBITDA, EBITDA Margin Other Operating Expenses, Capital Employed, Return on Capital Employed, Return on Equity, Debt to Equity, PAT Margin, CAGR and others
Novel Coronavirus	Severe acute respiratory syndrome coronavirus 2, a strain of coronavirus that causes coronavirus disease 2019, a respiratory illness
NPCI	National Payments Corporation of India
NRE Account	Non-resident external rupee account
NRI	Person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016 or an overseas citizen of India cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
Other Operating Expenses	Other operating expenses is calculated as other expenses less freight and forwarding charges and advertisement and sales promotion expenses
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit after tax
PAT Margin	PAT Margin is calculated as restated profit for the year/ period divided by total income, represented as a percentage
PhD	Doctor of Philosophy
P/E	Price/earnings
P/E Ratio	Price to Earnings ratio
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
Regulation S	Regulation S under the U.S. Securities Act
Return on Assets	Return on Average Total assets (RoTA) represent profit for the period/ year divided by average of total assets as at the end of the relevant period/ year and our total assets as at the end of the previous year
RONW	Return on Average Net Worth (RoNW) is calculated as the profit for the period/ year as a percentage of Total Net Worth for such period/ year
ROCE	RoCE (Return on Capital Employed) (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as net worth and total debt including lease liabilities.
ROE	Return on equity is calculated as restated profit for the year/ period divided by average total equity
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992

Term	Description
SEBI ICDR Master Circular	SEBI master circular no. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI RTA Master Circular	SEBI master circular no. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI SBEBSE Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
Spread	Spread is the difference between yield on average gross loans and average cost of borrowing.
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
Stamp Act	The Indian Stamp Act, 1899
STT	Securities transaction tax
Total Borrowings	Aggregate of debt securities, borrowing (other than debts securities) and subordinated liabilities
TAN	Tax deduction Account Number
U.S. Securities Act	U.S. Securities Act of 1933
U.S./USA/United States	United States of America
USD or US\$	United States Dollars
VaR	Value at risk
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
y-o-y	Year on Year

Key Performance Indicators

KPI	Explanations
GAAP Financial measures	
Revenue from operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of our business.
Profit after tax	Profit after tax provides information regarding the overall profitability of the Company.
Non-GAAP Financial measures	
Total Revenue	Total Revenue is used to track the total revenue generated by the business including other income.
Operating EBITDA	Operating EBITDA provides information regarding the operational efficiency of our business.
Operating EBITDA Margin (%)	Operating EBITDA Margin is an indicator of the operational profitability and financial performance of our business.

KPI	Explanations
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.
Interest Coverage Ratio	The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstanding debt.
Return on Capital Employed	ROCE provides how efficiently our Company generates earnings from the capital employed in our business.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Net Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.
Inventory turnover Ratio	The inventory turnover ratio establishes the relationship between the cost of goods sold during a period and the average inventory held during that period. It measures the efficiency with which our company manages and utilizes its inventory.
Trade receivables turnover Ratio	The trade receivable turnover ratio assesses how efficiently our company is managing its trade receivables and converting them into cash.
Trade payables turnover Ratio	The trade payable turnover ratio indicates the number of times our company pays its creditors during a period. It is calculated to assess the cash requirements for settling trade payables.
Operational Measures	
Production capacity	The numbers provided represent the actual production capacity of our Company.
Capacity utilisation	This metric enables us to link actual production capacity with the installed production capacity

CERTAIN CONVENTIONS, CURRENCY OF PRESENTATION, USE OF FINANCIAL INFORMATION, INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India. All references to the “Government”, “Indian Government”, “GOI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

All references in this Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America, together with its territories and possessions.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

Currency and Units of Presentation

All references to:

- “₹” or “Rs” or “Rupees” or “INR” are to Indian Rupee, the official currency of the Republic of India.
- “USD” or “US\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in “million” units or in whole numbers where the numbers have been too small to represent in such units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures (other than per share and percentage figures) derived from our Restated Consolidated Financial Information in decimals have been rounded off to the two decimal places.

Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and USD:

Currency*	March 31, 2025	March 31, 2024	March 31, 2023
US\$	85.58	83.37	82.22

*Source: www.rbi.org.in and www.fbil.org.in

Note: Exchange rate is rounded off to two decimal points.

In case the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been considered.

Financial Data and other data

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year. Accordingly, all references to a particular Financial Year or Fiscal Year or Fiscal, unless stated otherwise, are to the 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

Unless otherwise stated or context requires otherwise, the financial information included in this Draft Red Herring Prospectus have been derived from our Restated Consolidated Financial Information.

Restated Consolidated Financial Information of our Company for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, comprising the restated consolidated financial statement of assets and liabilities of our Company for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023; the restated consolidated financial statement of profit and loss (including other comprehensive loss) for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, the restated consolidated financial statement of changes in equity for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, the restated consolidated cash flows statements for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023 and, the summary statement of material accounting policies and other explanatory information for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and the Statement of Adjustments to the Audited Consolidated Financial Statements for the financial years ended and as at March 31, 2025, March 31, 2024 and March 31, 2023, respectively, prepared by the Management of the Company in connection with its proposed Initial Public Offer of equity shares and the offer for sale by existing shareholders (the “Offer”) prepared in terms of the requirements of: Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended from (the “Act”); The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “ICDR Regulations”); and The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the “ICAI”), (the “Guidance Note”).

There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should, accordingly, be limited. For risks relating to significant differences between Ind AS and other accounting principles, see “Risk Factor: 58 – Significant differences exist between Ind AS, which is used to prepare our financial information and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors’ assessments of our financial condition.” on page 66.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Unless the context otherwise indicates, any percentage amounts or ratios (excluding certain operational metrics), relating to the financial information of our Company in this Draft Red Herring Prospectus have been calculated on the basis of amounts derived from our Restated Consolidated Financial Information.

Non-GAAP Financial Measures

In evaluating our business, we consider and use certain non-GAAP financial measures and statistical information, which are not required by, or presented in accordance with, Ind AS or any other generally accepted accounting principles. These non-GAAP financial measures and statistical information are not a measurement of our financial performance or liquidity under Ind AS or any other generally accepted accounting principles and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS or any other generally accepted accounting principles. We compute and disclose such non-GAAP financial measures and statistical information as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of companies such as us. These non-GAAP financial measures and other statistical information may not be computed on the basis of any standard methodology that is applicable across the industry and, therefore, may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies.

For further details, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Other Financial Information” and “Risk Factor 47 - The information included in this Draft Red Herring

Prospectus in relation to our listed peers may not be comparable and it may be difficult to benchmark and evaluate our financial performance against other operators who operate in the same industry as us.” on pages 286, 284 and 61, respectively.

Industry and Market Data

Unless otherwise indicated, the industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the report titled “*Industry Research report on Hydraulic Fitting Industry*” dated September 2025 (“**CARE Report**”) prepared and issued by CARE Analytics and Advisory Private Limited (“**CARE**”) and publicly available information as well as other industry publications and sources. The CARE Report has been exclusively commissioned at the request of our Company and paid for by our Company for an agreed fee, pursuant to an engagement letter dated June 18, 2025, entered into between CARE and our Company, for the purposes of confirming our understanding of the industry in which our Company operates, exclusively in connection with this Offer. CARE is an independent agency and is not a related party of our Company, Directors, Promoters, Key Managerial Personnel, Senior Management, Promoter Selling Shareholders or the Book Running Lead Manager. The CARE Report is available on the website of our Company at <https://www.hytechengineers.com/ipo-documents.php> and has also been included in “*Material Contracts and Documents for Inspection*” on page 414.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” beginning on page 32.

Certain data in relation to our Company used in this Draft Red Herring Prospectus has been obtained or derived from the CARE Report which may differ in certain respects from our Restated Consolidated Financial Information as a result of, inter alia, the methodologies used in compiling such data. Accordingly, investment decisions should not be made based on such information.

In accordance with the SEBI ICDR Regulations, we have included in the chapter “*Basis for Offer Price*” on page 105, information pertaining to the peer companies of our Company. Such information has been derived from publicly available data of the peer companies. Accordingly, no investment decision should be made solely on the basis of such information. Such industry sources and publications are also prepared based on information available as at specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base this information on estimates and assumptions that may prove to be incorrect. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in “*Risk Factors*” beginning on page 32 of this Draft Red Herring Prospectus. For details in relation to risks involving the industry, see “*Risk Factor 36 - Certain sections of this Draft Red Herring Prospectus disclose information from the CARE Report which has been prepared exclusively for the Offer and commissioned by our Company and paid for by our Company exclusively in connection with the Offer, and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.*” on page 56 of this Draft Red Herring Prospectus.

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. All statements regarding our expected financial and results of operations, business, plans, and prospects are forward-looking statements, which include statements with respect to our business strategy, objectives, plans or goals, prospects, our expected revenue and profitability and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements include statements which generally can be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “shall”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “project”, “propose”, “seek to”, “will”, “will continue”, “will likely”, “will pursue” or other words or phrases of similar import. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “likely to”, “seek to”, “shall”, “objective”, “plan”, “project”, “propose”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our expected financial condition, results of operations, business, prospects, strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements whether made by us or any third parties in this Draft Red Herring Prospectus are based on our current plans, estimates, presumptions and expectations and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement, including but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions, in India and globally, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in our industry, incidence of natural calamities and/or acts of violence.

Certain important factors that could cause actual results to differ materially from our Company’s expectations and assumptions include, but are not limited to, the following:

1. We are dependent on a few customers for a major portion of our revenues. We do not enter into long-term arrangements with our customers and any failure to continue our existing arrangements with such customers could adversely affect our business and results of operations. We do not enter into long term arrangements with our customers however we have relationship with most of our customers for more 10 years. failure to continue our existing arrangements with such customers could adversely affect our business and results of operations.
2. A significant portion of our export revenues is generated from the United States of America and any adverse developments in this market or restrained economic or political relations of India with the United States of America could adversely affect our business.
3. We are dependent on our suppliers for raw materials used in our manufacturing processes. Any shortages, delay or disruption in the supply of the raw materials we use in our manufacturing process may have a material adverse effect on our business, financial condition, results of operations and cash flows.
4. We may be unable to successfully execute our plans to expand operations or to successfully implement our business plans and growth strategies in a timely manner or within budget estimates, which could materially and adversely affect our business, results of operations and financial condition.
5. We derive a significant portion of our revenue from operations from direct sales to our customers. Any adverse changes in this sector or any other sector in which our direct customers operate could adversely impact our business, results of operations and financial condition.
6. Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.
7. While we cater to multiple industry segments, a significant portion of our revenue comes from construction machinery and farming industry segments. We may be affected by any reduction in the demand or requirement of products in such industries which can adversely impact our business, financial condition, results of operations, cash flows and prospects.
8. We are in the process of undertaking certain expansion activities and intend to continue to do so in the future, which may not materialize as expected or at all which in turn may have an adverse impact on our business and financial condition.
9. Four out of our six Manufacturing Facilities are concentrated in Maharashtra, India and balance two in Madhya Pradesh. Any significant social, political, economic or seasonal disruption, natural calamities or

civil disruptions in the state of Maharashtra or Madhya Pradesh where our other Manufacturing Facilities are located could have an adverse effect on our business, results of operations and financial condition.

10. A significant portion of our domestic revenues are derived from the western and central zone and any adverse developments in this market could adversely affect our business.

For further details regarding factors that could cause the actual results to differ from the expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 32, 177 and 286, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements reflect our current views as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct.

These statements are based on the management’s beliefs, assumptions, current plans, estimates and expectations, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Our Company, our Directors, Promoter Selling Shareholders, BRLM or any of their respective affiliates or advisors do not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with SEBI ICDR Regulations, our Company and the BRLM will ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus in relation to the statements and undertakings made by them in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity Shares allotted pursuant to the Offer. Further, each Promoter Selling Shareholder shall, severally and not jointly (solely to the extent of statements specifically made or confirmed by such Promoter Selling Shareholder in relation to its portion of Offered Shares in this Draft Red Herring Prospectus), ensure that Bidders in India are informed of material developments from the date of the Red Herring Prospectus in relation to the statements and undertakings specifically made or confirmed by such Promoter Selling Shareholder in the Red Herring Prospectus and the Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for this Offer.

SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures included in this 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 this 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 this Draft Red Herring Prospectus, including in the sections “Risk Factors”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Restated Consolidated Financial Information”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Outstanding Litigations and Material Developments”, “Offer Procedure” and “Description of Equity Shares and Main Provisions of the Articles of Association” on at pages 32, 73, 86, 105, 137, 177, 220, 227, 286, 325, 354 and 376 respectively.

Summary of our primary business

We are an engineering company engaged in the design, manufacture and supply of hydraulic fittings catering to diverse industrial applications, with over four decades of operational experience in the hydraulics industry. Our product portfolio comprises standard hydraulic fittings viz. DIN-metric fittings, JIC flared and flareless fittings, O-Ring Face Seal (ORFS) fittings and conversion fittings, as well as fittings customized to customer specifications. We operate on a business-to-business (B2B) model across both domestic and international markets. Our sales approach combines direct engagement with original equipment manufacturers (“OEMs”) and other industrial customers as also through a network of authorized distributors. Direct customer engagement enables us to build long-term relationships and offer tailored solutions aligned with specific industry requirements.

For further details, see “Our Business” on page 177.

Summary of the Industry in which we operate

Hydraulic fittings are primarily used in hydraulic systems to connect pipes, tubes, and hoses. Hydraulic fittings support the transmission of energy produced by the hydraulic fluid and help maintain high pressure conditions. The varied type of hydraulic fittings allows the fluid to flow, change direction or mix. The hydraulic fittings market in India is experiencing significant growth, driven by the expansion of various industries such as manufacturing, construction, automotive, and agriculture. As infrastructure development and industrialization continue to rise, there is an increasing demand for hydraulic systems, which in turn boosts the need for high-quality hydraulic fittings. The increasing adoption of technologically advanced machines across various industries such as agriculture, construction, material handling, and aerospace is expected to drive growth in the hydraulic fittings market. In India, the hydraulic fittings market has grown at a CAGR of 7.7% between CY19 and CY24 and is projected to expand at a higher CAGR of 10.4% from CY24 to CY30.

For further details, see “Industry Overview” on page 137.

Promoters of our Company

Hemant Tukaram Mondkar, Surekha Hemant Mondkar and Ashwin Hemant Mondkar are the Promoters of our Company.

For details, see “Our Promoters and Promoter Group” on page 220.

Offer Size

The following table summarizes the details of the Offer:

Offer of Equity Shares ⁽¹⁾⁽²⁾	Up to [●] Equity Shares of face value of ₹5 each aggregating to ₹ [●] million
<i>of which:</i>	
(i) Fresh Issue	Up to [●] Equity Shares of face value of ₹5 each aggregating to ₹ 700.00 million
(ii) Offer for Sale ⁽²⁾	Up to 11,933,120 Equity Shares of face value of ₹5 each aggregating to ₹ [●] million

- (1) The Offer including the Fresh Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on July 22, 2025 and by our Shareholders pursuant to a special resolution passed at their meeting held on July 26, 2025. Further, the Board has taken on record the consents of the Promoter Selling Shareholders pursuant to its resolution dated August 20, 2025.
- (2) The Equity Shares being offered by each of the Promoter Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus and are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations. For details on the authorizations of the Promoter Selling Shareholders in relation to the Offered Shares, see “Other Regulatory and Statutory Disclosures” and “The Offer” on page 335 and 73, respectively.

The Offer shall constitute [●]% of the post-Offer paid-up Equity Share capital of our Company. For further details of the Offer, see “The Offer” and “Offer Structure” on pages 73 and 375, respectively.

Objects of the Offer

The Net Proceeds from the Fresh Issue are proposed to be utilized in accordance with the details provided in the following table:

Particulars	Estimated Amount ^{(1)@} (₹ in million)
Funding capital expenditure requirements of our Company towards procurement of new plant and machinery for proposed expansion at Kavathe Unit, Shirwal Unit and Pithampur Unit-I	319.86
Repayment/prepayment, in full or in part, of certain outstanding borrowings availed by our Company	180.00
General corporate purposes ^{(1) (2)}	[●]
Net Proceeds ⁽¹⁾	[●]

⁽¹⁾ To be finalized upon determination of the 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

@ Exclusive of applicable goods and service tax.

For further details, see “Objects of the Offer” on page 105.

Aggregate pre-Offer shareholding of the Promoters, Promoter group and Promoter Selling Shareholders

Name of the Promoter	Number of Equity Shares held as on the date of this Draft Red Herring Prospectus [#]	Percentage of total pre-Offer paid up equity share capital (%)	Number of Equity Shares held post Offer ^{**}	Percentage of the post-Offer paid-up Equity Share capital (%) ^{**}
Hemant Tukaram Mondkar [*]	54,137,840	64.81%	[●]	[●]
Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar [*]	20,737,920	24.83%	[●]	[●]
Ashwin Hemant Mondkar	6,976,080	8.35%	[●]	[●]
Total (A)	81,851,840	97.99%	[●]	[●]

^{*}Also the Promoter Selling Shareholders

^{**}To be updated at the Prospectus stage

[#] Based on beneficiary position statement as available on September 3, 2025

Our Promoter Group members do not hold any Equity Shares bearing face value of ₹5 each in our Company. For Further details, see “Capital Structure” on page 86.

Shareholding of our Promoters, members of our Promoter Group and additional top 10 shareholders of our Company

The aggregate shareholding of each of our Promoters, members of our Promoter Group and additional top 10 shareholders (apart from our Promoters) as on the date of the Price Band advertisement publication and as at the date of Allotment is set forth below:

S. No.	Pre-Offer shareholding as on date of the price band advertisement			Post-Offer Shareholding as at Allotment^#			
	Name of the shareholder	Number of Equity Shares#	Pre-Offer shareholding on a fully diluted basis (%)#	At the lower end of the price band (₹ ●)		At the upper end of the price band (₹ ●)	
				Number of Equity Shares#	Post-Offer shareholding# (%)	Number of Equity Shares#	Post-Offer shareholding# (%)
Promoters							
1	Hemant Tukaram Mondkar*	[●]	[●]	[●]	[●]	[●]	[●]
2	Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar*	[●]	[●]	[●]	[●]	[●]	[●]
3	Ashwin Hemant Mondkar	[●]	[●]	[●]	[●]	[●]	[●]
Additional top 10 shareholders							
1	[●]	[●]	[●]	[●]	[●]	[●]	[●]
2	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Note: To be updated at the Prospectus stage.

*Also, the Promoter Selling Shareholders.

[^]Assuming full subscription in the Offer. The post-Offer shareholding details as at Allotment will be based on the actual subscription and the Offer Price and updated in the Prospectus, subject to finalization of the Basis of Allotment. Further, assuming that there is no transfer of shares by the Shareholders between the date of the Price Band advertisement and Allotment, and if any such transfers occur prior to the date of Prospectus, it will be updated in the shareholding pattern in the Prospectus. The post-Offer shareholding shall be updated in the Prospectus

[#]Includes any transfers of Equity Shares by existing Shareholders after the date of the pre-Offer and Price Band advertisement until the date of the Prospectus.

Our Promoter Group members do not hold any Equity Shares bearing face value of ₹5 each in our Company.

Summary of Selected Financial Information

The details of our Equity Share capital, Other Equity, Net Worth, total income, Profit for the period/year, earning per share (Basic and diluted), Net Asset Value per Equity Share and total borrowings for the financial years ended March 31, 2025, 2024, and 2023 derived from the Restated Consolidated Financial Information are as follows:

(₹ in million, unless otherwise stated)

Particulars	Fiscals		
	2025	2024	2023
Equity Share Capital	417.66	3.73	3.73
Other Equity	594.85	818.43	709.30
Revenue from Operations ⁽¹⁾	1,613.82	1,377.08	1,333.36
Total Income ⁽²⁾	1,667.07	1,411.73	1,369.44
Net Worth ⁽³⁾	1,012.51	822.16	713.03
Profit for the year ⁽⁴⁾	196.19	115.96	180.02
Earnings per share (basic)	2.35	1.39	2.16
Earnings per share (diluted)	2.35	1.39	2.16
Net Asset Value per Equity Share ⁽⁵⁾	12.12	9.84	8.53
Total Borrowings ⁽⁶⁾	435.25	408.38	212.06

Notes:

The ratios have been computed as follows:

- (1) Revenue from operations is the total revenue generated by our Company from its operations for the relevant year.
- (2) Total income means sum of revenue from operations and other income for the relevant year.
- (3) Net Worth is defined as per Regulation 2(1)(hh) of the SEBI ICDR Regulations, Net Worth means 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 consolidated statement of assets and liabilities, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Further, Net Worth is calculated as sum of equity share capital, instruments entirely equity in nature, securities premium, retained earnings and share based payment reserve as at the end of the year.

⁽⁴⁾ Profit/(loss) after tax is profit for the year for the relevant fiscal.

⁽⁵⁾ Net asset value per Equity Share is calculated by dividing Net worth as of the end of the relevant year by the number of outstanding equity shares as at the year end.

⁽⁶⁾ Total borrowings include non-current borrowings and current borrowings.

For further details, see “Restated Consolidated Financial Information” on page 227.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Consolidated Financial Information

No reservations, qualifications and adverse remarks have been made by our Statutory Auditors in their audit reports on the audited financial statements of the Company for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 which require any adjustments to be made to Restated Consolidated Financial Information.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, Directors, Promoters, Subsidiary, KMPs and SMPs as on the date of this Draft Red Herring Prospectus is provided below:

Category of individuals / entities	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or stock exchanges against our Promoters	Material civil litigations	Aggregate amount involved (₹ in million) ⁽¹⁾
Company						
Against the Company	Nil	1	Nil	N.A.	Nil	24.23
By the Company	Nil	N.A.	N.A.	N.A.	Nil	Nil
Directors *						
Against the Directors	Nil	1	Nil	N.A.	Nil	2.26
By the Directors	Nil	N.A.	N.A.	N.A.	Nil	Nil
Promoters						
Against the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
By the Promoters	Nil	N.A.	Nil	Nil	Nil	Nil
Subsidiary						
Against the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
By the Subsidiary	Nil	N.A.	N.A.	Nil	Nil	Nil
KMPs and SMPs*						
Against our KMP/ SMP	Nil	N.A.	Nil	Nil	N.A.	Nil
By our KMP/ SMP	Nil	N.A.	N.A.	N.A.	N.A.	Nil

⁽¹⁾ To the extent quantifiable

* Excluding our Promoters.

As on date of this Draft Red Herring Prospectus, there are no outstanding litigations involving the Group Companies, which may have a material impact on our Company.

For further details regarding these legal proceedings, see “Outstanding Litigations and Material Developments” on page 325.

Risk Factors

For details of the risks applicable to us, see “Risk Factors” beginning on page 32. Investors are advised to read the risk factors carefully before making an investment decision in the Offer. Set forth below are the top 10 risk factors applicable to our Company in their order of materiality that could cause actual results to differ materially from our expectations:

1. We are dependent on a few customers for a major portion of our revenues. We do not enter into long-term arrangements with our customers and any failure to continue our existing arrangements with such customers could adversely affect our business and results of operations. We do not enter into long term arrangements

with our customers however we have relationship with most of our customers for more 10 years. failure to continue our existing arrangements with such customers could adversely affect our business and results of operations.

2. A significant portion of our export revenues is generated from the United States of America and any adverse developments in this market or restrained economic or political relations of India with the United States of America could adversely affect our business.
3. We are dependent on our suppliers for raw materials used in our manufacturing processes. Any shortages, delay or disruption in the supply of the raw materials we use in our manufacturing process may have a material adverse effect on our business, financial condition, results of operations and cash flows.
4. We may be unable to successfully execute our plans to expand operations or to successfully implement our business plans and growth strategies in a timely manner or within budget estimates, which could materially and adversely affect our business, results of operations and financial condition.
5. We derive a significant portion of our revenue from operations from direct sales to our customers. Any adverse changes in this sector or any other sector in which our direct customers operate could adversely impact our business, results of operations and financial condition.
6. Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.
7. While we cater to multiple industry segments, a significant portion of our revenue comes from construction machinery and farming industry segments. We may be affected by any reduction in the demand or requirement of products in such industries which can adversely impact our business, financial condition, results of operations, cash flows and prospects.
8. We are in the process of undertaking certain expansion activities and intend to continue to do so in the future, which may not materialize as expected or at all which in turn may have an adverse impact on our business and financial condition.
9. Four out of our six Manufacturing Facilities are concentrated in Maharashtra, India and balance two in Madhya Pradesh. Any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in the state of Maharashtra or Madhya Pradesh where our other Manufacturing Facilities are located could have an adverse effect on our business, results of operations and financial condition.
10. A significant portion of our domestic revenues are derived from the western and central zone and any adverse developments in this market could adversely affect our business.

Summary of Contingent Liabilities:

Our Company has no contingent liabilities as per Ind AS 27 as on March 31, 2025.

For further details of our contingent liabilities, see “*Restated Consolidated Financial Information – Note 40 – Contingent Liabilities*” on page 277.

Summary of Related Party Transactions

The following is the summary of related party transactions for the Fiscals 2025, 2024, and 2023, in accordance with the requirements under Ind AS 24 read with the SEBI ICDR Regulations, and as derived from the Restated Consolidated Financial Information:

1. Transactions with Related Parties:

(₹ in million)

Particulars	For the Period/Year Ended on		
	March 31, 2025	March 31, 2024	March 31, 2023
Transactions with Entities in which Key Managerial personnel are able to exercise significant influence:			
NR Hy Tech Engineers Pvt. Ltd.			
Sale of finished goods/ Raw materials / traded goods	0.21	0.72	0.51
Purchase of finished goods/ Raw materials / traded goods	2.11	1.46	1.57
Hy Tech Fluid Power Pvt. Ltd.			
Sale of finished goods/ Raw materials / traded goods	1.22	1.56	1.09
Purchase of finished goods/ Raw materials / traded goods	0.45	-	0.22
Hy-Tech USA Inc.			
Commission Expense	17.05	14.07	14.50
Sale of finished goods/ Raw materials / traded goods	49.10	54.38	76.29
Transactions with Key Management Personnel			
Loan Received			

Particulars	For the Period/Year Ended on		
	March 31, 2025	March 31, 2024	March 31, 2023
Mahesh V Karlekar	-	-	0.20
Hemant T Mondkar	0.18	-	-
Interest Expenses on Loan received			
Hemant T Mondkar	2.50	2.50	2.50
Surekha H Mondkar	1.50	1.50	1.50
Dividend Paid			
Hemant T Mondkar	3.87	3.86	2.32
Ashwin H Mondkar	0.28	0.28	0.15
Surekha H Mondkar	1.39	1.39	0.83
Reimbursement of Expenses			
Hemant T Mondkar	1.95	1.16	0.80
Surekha H Mondkar	2.16	1.43	0.36
Managerial Remuneration			
Hemant T Mondkar	11.56	11.57	10.85
Surekha H Mondkar	2.60	2.61	2.40
Milind M. Shahane	0.46	0.92	-
Sunil Satwani	2.61	-	-
Sai Ranadive	0.16	-	-
Sitting Fees paid			
Satish Kulkarni	0.41	0.52	0.40
Chetan Sapre	0.41	0.52	0.44
Vivek Patwardhan	0.40	0.60	0.47
Commission Paid			
Satish Kulkarni	0.60	0.60	-
Chetan Sapre	0.30	0.30	-
Vivek Patwardhan	0.30	0.30	-
Consultancy Services			
Jayant T Mondkar	-	-	0.67

2. Related Party Transactions Eliminated

In the Books of Hy-Tech Engineers Ltd

(₹ in million)

Nature of Transaction	Name of the Party	For the Period/Year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
<u>Transaction with Subsidiary Co.</u>				
Interest on Loan Received	Hy Tech ACR Pvt Ltd	-	1.03	-
Inter Company Purchase	Hy Tech ACR Pvt Ltd	-	-	1.49
Inter Company Sale	Hy Tech ACR Pvt Ltd	-	-	0.26
Sundry Balance Written Off	Hy Tech ACR Pvt Ltd	-	-	0.23
Purchase of Property, Plant and Equipment	Hy Tech ACR Pvt Ltd	-	-	6.83
Unsecured Loan Advanced	Hy Tech ACR Pvt Ltd	-	-	7.80
Investment	Hy Tech ACR Pvt Ltd	9.83	9.83	1.00
Investment	Earthmac Hytech Pvt Ltd	-	-	4.50

In the Books of Hy Tech ACR Pvt Ltd

(₹ in million)

Nature of Transaction	Name of the Party	For the Year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
Transaction with Hy-Tech Engineers Limited (Holding Co.)				
Inter Company Sale	Hy-Tech Engineers Ltd	-	-	1.49
Inter Company Purchase	Hy-Tech Engineers Ltd	-	-	0.26
Interest on Loan Paid	Hy-Tech Engineers Ltd	-	1.03	-
Sale of property, plant and equipment	Hy-Tech Engineers Ltd	-	-	6.83
Sundry Balance Written back	Hy-Tech Engineers Ltd	-	-	0.23

Nature of Transaction	Name of the Party	For the Year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
Equity	Hy-Tech Engineers Ltd	9.83	9.83	1.00
Unsecured Loan	Hy-Tech Engineers Ltd	-	-	7.80

In the Books of Earthmac Hytech Pvt Ltd

(₹ in million)

Nature of Transaction	Name of the Party	For the Year ended		
		March 31, 2025	March 31, 2024	March 31, 2023
Transaction with Hy-Tech Engineers Limited (Holding Co.)				
Equity	Hy-Tech Engineers Ltd	-	-	4.50

For details of related party transactions of our Company, as per the requirements under Ind AS 24 ‘Related Party Disclosures’ for the Fiscals March 31, 2025, March 31, 2024, and March 31, 2023, see “*Note 47 – Related Party Transactions*” under the chapter “*Restated Consolidated Financial Information*” on page 281.

Financing Arrangements

There have been no financing arrangements whereby the Promoters, members of the Promoter Group, directors of our Promoters, our Directors or their relatives have financed the purchase, by any other person, of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

Details of price at which specified securities were acquired by our Promoters, members of the Promoter Group, Promoter Selling Shareholders and other Shareholders entitled with the right to nominate directors or other rights in the last three years preceding the date of this Draft Red Herring Prospectus

Except as stated below, there have been no Equity Shares that were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoters, members of our Promoter Group and Promoter Selling Shareholders. There are no Shareholder(s) with rights to nominate Director(s) or other special rights in our Company. The details of the price at which these acquisitions were undertaken are stated below:

Name	Date of acquisition of equity shares	No. of equity shares acquired	Nature of Acquisition	Face Value (in ₹)	Acquisition price per equity share (in ₹)
Hemant Tukaram Mondkar	February 08, 2025	56,479,020	Bonus Issue	5	NA
	November 27, 2024	500	Transfer from Sachin Jaybhaye	10	2,100
	October 30, 2024	1,000	Transfer from Raju Ganpatasa Meharwade	10	2,710
Hemant Tukaram Mondkar Jointly with Surekha Hemant Mondkar	March 21, 2024	2,000	Transfer from Mahesh Karlekar	10	2,710
Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar	February 08, 2025	20,552,760	Bonus Issue	5	NA
Ashwin Hemant Mondkar	July 23, 2025	2,850,000	Transfer from Hemant Tukaram Mondkar	5	14
	February 08, 2025	4,089,240	Bonus Issue	5	NA

Average Cost of acquisition of Equity Shares for our Promoters and the Promoter Selling Shareholders

The average cost of acquisition per Equity Share by our Promoters and Promoter Selling Shareholders is set forth in the table below:

Name of the Promoter / Promoter Selling Shareholders	No. of Equity Shares held [#]	Average cost of Acquisition* (₹ per Equity Share)
Hemant Tukaram Mondkar**	54,137,840	0.22
Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar**	20,737,920	0.12
Ashwin Hemant Mondkar	6,976,080	9.43

*As certified by Nayan Parikh & Co., Chartered Accountants, by way of their certificate dated September 4, 2025

**Also, the Promoter Selling Shareholders

Based on beneficiary position statement as available on September 3, 2025

Weighted Average Price at which the Equity Shares were acquired by our Promoters and Promoter Selling Shareholders in the last one year preceding the date of this Draft Red Herring Prospectus

Except as stated below, there have been no Equity Shares that were acquired in the last one year preceding the date of this Draft Red Herring Prospectus by our Promoters or the Promoter Selling Shareholders:

Name of the Promoter / Promoter Selling Shareholders	Face value (₹)	No. of Equity Shares acquired in last one year from the date of this DRHP	Weighted Average Price (in ₹)*
Hemant Tukaram Mondkar**	5	56,480,520	0.07
Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar **	5	20,552,760	NIL
Ashwin Hemant Mondkar	5	6,939,240	5.89

*As certified by Nayan Parikh & Co., Chartered Accountants, by way of their certificate dated September 4, 2025

**Also, the Promoter Selling Shareholder

Weighted average cost of acquisition of all shares transacted in last three years, eighteen months and one year preceding the date of this Draft Red Herring Prospectus

Particulars	Weighted Average Cost of Acquisition (in ₹)*	Cap Price (●) is 'x' times the Weighted Average Cost of Acquisition ^{^S}	Range of acquisition price: Lowest Price – Highest Price (in ₹)*
Last one year	0.66	●	0 – 3,000
Last 18 months	0.79	●	0 – 3,000
Last three years	0.79	●	0 – 3,000

* As certified by Nayan Parikh & Co., Chartered Accountants, by way of their certificate dated September 4, 2025

[^] To be updated on finalization of the Price Band.

Details of Pre-IPO Placement

Our Company is not contemplating a pre-IPO placement.

Issuance of Equity Shares for consideration other than cash in the last one year

Except as disclosed in “Capital Structure–Notes to the Capital Structure –Share capital history of our Company –Equity share capital” on page 87, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

Split/ consolidation of Equity Shares in the last one year

Pursuant to our board resolution dated February 05, 2025, and shareholders’ resolution dated February 06, 2025, equity shares of face value of ₹10 each of our Company were sub-divided into Equity Shares of face value of ₹5 each. Consequently, the issued and subscribed share capital of our Company comprising 372,910 equity shares of face value of ₹10 each was sub-divided into 745,820 Equity Shares of face value of ₹5 each. For further details, see “Capital Structure – Notes to the Capital Structure” on page 87.

Exemption from complying with any provisions of securities laws

As on the date of this Draft Red Herring Prospectus, our Company has not applied for or received any exemption from the SEBI from complying with any provisions of securities laws.

SECTION II – RISK FACTORS

An investment in equity shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks and uncertainties described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business”, “Industry Overview”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Consolidated Financial Information” on pages 177, 137, 286 and 227, respectively, of this Draft Red Herring Prospectus, as well as the other financial and statistical and other information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of our Company and our business and the terms of the Offer including the merits and risks involved.

Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries.

This Draft Red Herring Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further information, see “Forward-Looking Statements” on page 22 of this Draft Red Herring Prospectus. Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For further information, see “Restated Consolidated Financial Information” beginning on page 286 of this Draft Red Herring Prospectus. Unless the context otherwise requires, in this section, references to “our Company”, or “the Company” refers to Hy-Tech Engineers Limited and “we”, “us”, “our”, refers to our Company and Subsidiary.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled “Industry Report on Hydraulic Fittings” dated September 2025 (the “**CARE Report**”) prepared and issued by CARE Analytics and Advisory Private Limited (“**CARE**”) commissioned by us. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

INTERNAL RISKS

- We are dependent on a few customers for a major portion of our revenues. We do not enter into long-term arrangements with our customers and any failure to continue our existing arrangements with such customers could adversely affect our business and results of operations. We do not enter into long term arrangements with our customers however we have relationship with most of our customers for more 10 years. failure to continue our existing arrangements with such customers could adversely affect our business and results of operations.***

Our sales are concentrated on a few customers for a portion of our revenues. The table below sets out sales from our top 10 customers, including as a percentage of our revenue from operations on restated consolidated financial statement, for the period mentioned below:

The table below sets forth the revenue derived from our top ten customers as of March 31, 2025:

Sr No.	Name of the Customer	(₹ in million, except percentages)	
		Fiscal 2025	
		Amount	%
1.	Tompkins Industries Inc	126.18	7.82
2.	Customer No. 2*	100.88	6.25

Sr No.	Name of the Customer	Fiscal 2025	
		Amount	%
3.	Sisa Hydropneumatics	72.32	4.48
4.	Customer No. 4*	63.53	3.94
5.	Customer No. 5*	56.69	3.51
6.	Customer No. 6*	55.35	3.43
7.	Customer No. 7*	52.80	3.27
8.	Fittings Unlimited Inc	53.68	3.33
9.	Hy-Tech USA Inc.	49.10	3.04
10.	Customer No. 10*	47.63	2.95
Total		678.16	42.02

*Names have not been disclosed due to non-receipt of consent

The table below sets forth the revenue derived from our top ten customers as of March 31, 2024:

(₹ in million, except percentages)

Sr No.	Name of the Customer	Fiscal 2024	
		Amount	%
1.	Tompkins Industries Inc	122.67	8.91
2.	Sisa Hydropneumatics	104.75	7.61
3.	Customer No. 3*	101.33	7.36
4.	Customer No. 4*	63.34	4.60
5.	Hy-Tech USA Inc.	54.38	3.95
6.	Customer No. 6*	50.82	3.69
7.	Customer No. 7*	49.55	3.60
8.	Customer No. 8*	44.92	3.26
9.	Fittings Unlimited Inc	40.74	2.96
10.	Customer No. 10*	38.37	2.79
Total		670.88	48.72

*Names have not been disclosed due to non-receipt of consent

The table below sets forth the revenue derived from our top ten customers as of March 31, 2023:

(₹ in million, except percentages)

Sr No.	Name of the Customer	Fiscal 2023	
		Amount	%
1.	Customer No. 1*	163.91	12.29
2.	Tompkins Industries Inc	144.59	10.84
3.	Sisa Hydropneumatics	94.35	7.08
4.	Hy-Tech USA Inc.	76.29	5.72
5.	Customer No. 5*	48.64	3.65
6.	Customer No. 6*	44.14	3.31
7.	Customer No. 7*	40.88	3.07
8.	Fittings Unlimited Inc	34.12	2.56
9.	Customer No. 9*	33.63	2.52
10.	Customer No. 10*	33.52	2.52
Total		714.06	53.56

*Names have not been disclosed due to non-receipt of consent

While the share of our total revenues attributable to the 10 largest customer groups has declined over the last three Financial Years, this decline is on account of our approach to reduce customer concentration and increase the number of customers and distributors contributing to our revenue. However, we believe that we will continue to derive a significant portion of our revenue from these customer groups. One of our customers is our related party and have been disclosed in “Note 47 – Related Party Transactions” in “Restated Consolidated Financial Information” on page 281 of this Draft Red Herring Prospectus. We generally do not have any long-term or exclusive arrangements with any of our customers and we cannot assure you that we will be able to sell the quantities we have historically supplied to such customers or that we will be able to significantly reduce customer concentration in the future. In the event our competitors’ products offer better margins to such customers or otherwise incentivize them, there can be no assurance that our customers will continue to place orders with us. Most of our transactions with our customers are typically on a purchase order basis without any commitment for a fixed volume of business. There can also be no assurance that our customers will place their orders with us on current or similar terms, or at all. Further, our customers could change their business practices or seek to modify the terms that we have customarily followed with them, including in relation to their payment terms. While we negotiate product prices and payment terms with our

customers, in the event our customers alter their requirements, it could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows.

Although there has been no discontinuation in business by our top 10 customers in the preceding three Fiscals, there can be no assurance that we will continue to maintain such relationship with our customers in the future. Further, in the event our customers experience any delays in placing orders with us, or if they prefer to buy the products of our competitors, it could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows. Our inability to maintain our existing customer relationships could have a negative impact on our sales and business growth prospects, resulting in a slowdown of operation, financial conditions and cash flows. Further, the performance of our customers, their sales network and their ability to expand their businesses are crucial to the future growth of our business and directly affect our sales volume and profitability.

2. ***We derive a significant portion of revenue from operations from exports out of which a substantial portion is generated from the United States of America and any adverse developments in these markets or restrained economic or political relations of India with the United States of America could adversely affect our business.***

We derive a significant portion of our revenue from operations from overseas markets out of which substantial portion is received from the sale of our products in the United States of America. The table below sets forth our export revenues generated from the sale of our products, including as a percentage of our revenue from operations for the years indicated:

(figures in million, except percentage)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of Total Operating Revenue	Amount	% of Total Operating Revenue	Amount	% of Total Operating Revenue
USA	368.69	22.85	338.25	24.56	356.14	26.71
Belgium	72.32	4.48	104.75	7.61	94.35	7.08
Russia	9.59	0.59	13.32	0.97	4.81	0.36
Brazil	4.49	0.28	-	-	-	-
Italy	1.01	0.06	-	-	-	-
Saudi Arabia	0.38	0.02	-	-	-	-
Hong Kong	-	-	-	-	0.22	0.02
Hungary	0.14	0.01	-	-	-	-
Thailand	0.04	0.00	-	-	-	-
Germany	0.04	0.00	-	-	-	-
Total	456.70	28.30	456.32	33.14	455.52	34.16

Further, our Company is dependent on our Promoter group member i.e. Hy-Tech USA Inc. for a significant portion of our export revenue. We have entered into a distribution agreement with Hy-Tech USA Inc., appointing them as the exclusive distributor of all hydraulic fittings and related equipment manufactured by us for customers, including OEMs, in North America, Canada, and Brazil. In Fiscals 2025, 2024, and 2023, direct sales to Hy-Tech USA Inc. accounted for 3.04%, 3.95%, and 5.72% of our revenue from operations, respectively. Additionally, customers sourced by Hy-Tech USA Inc. contributed ₹319.59 million, ₹283.77 million, and ₹279.85 million representing 19.80%, 20.61%, and 20.99% of our revenues from operations in the same periods.

Any disruptions or challenges faced by Hy-Tech USA Inc. or other distributors operating in that region could impact our sales and overall financial performance. Factors such as operational inefficiencies, changes in distributor management, financial instability, or shifts in market demand could lead to reduced revenue streams. Additionally, if our distributors including Hy-Tech USA Inc. fail to effectively market or distribute our products, our visibility and market penetration could suffer.

Further, any materially adverse social, political or economic development, natural calamities, civil disruptions, regulatory developments or changes in the policies or tariffs of the government in the USA could adversely affect our distribution activities, result in modification of our business strategy or require us to incur significant capital expenditure, which will in turn have a material adverse effect on our business, financial condition, results of operations and cash flows. Further, our sales from this region may decline as a result of increased competition, regulatory action, pricing pressures, fluctuations in the demand for or supply of our products or services, the outbreak of pandemics, antidumping, tariffs, trade policies or geopolitical tensions. Our failure to effectively react to these situations or to successfully introduce new products in this

market could adversely affect our business, prospects, results of operations and cash flows. The occurrence of, or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

Given that our revenues are significantly dependent on our export sales, we are exposed to exchange rate fluctuations due to the revenues that we receive. Further, our overseas operations are subject to risks that are specific to each country and region in which we operate, as well as risks associated with overseas operations in general. These risks include complying with changes in foreign laws, regulations and policies relating to foreign trade and investment, including restrictions on trade, import and export license requirements, and tariffs and taxes, intellectual property enforcement issues. Further, increased trade controls or sanctions as a result of political or economic conflicts including, among others, economic disruption may also affect our ability to market or sell our products, in the relevant country. For instance, any changes or reclassification of the harmonized system (HS) codes or interpretation of applicable customs duties by the importing country's authorities could adversely affect our cost structure, competitiveness of our products in those markets and our profitability. We continuously monitor regulatory changes in key export destinations and engage with legal and trade experts to mitigate these risks. However, we cannot assure that such measures will entirely prevent potential adverse impacts arising from challenges in customs classification or duties. Interest rate hikes may increase our customers' costs of borrowing and business expenses, reducing their disposable capital and inclination to make capital investments in projects where our products are applied. Certain other factors such as inflation, recession or other changes in economic conditions may also adversely affect the cost of our operations. In addition, the costs associated with entering and establishing ourselves in new markets, and expanding such operations, may be higher than expected, and we may face significant competition in those regions. While we have not faced any instances of difficulties in expansion of our operations in the USA markets in the Fiscals 2025, 2024 and 2023 that led to any material adverse impact on our business and operations, there can be no assurance that such instances will not occur in the future. Our existing operations and expansion of exports to USA or our other export markets in the future may lead to any of the above-mentioned developments, which in turn could have a material adverse effect on our business, financial condition, cash flows and results of operations.

3. ***We are dependent on our suppliers for raw materials used in our manufacturing processes. Any shortages, delay or disruption in the supply of the raw materials we use in our manufacturing process may have a material adverse effect on our business, financial condition, results of operations and cash flows.***

We are dependent on third party suppliers for raw materials used in our manufacturing operations. Our primary raw materials include carbon steel and stainless steel, materials which we primarily source from local suppliers in India. Volatility in the commodity markets could impact the pricing of our raw materials. Price increases of our raw materials could materially impact our production costs and profitability and consequently have an adverse effect on our business, results of operations and financial condition.

The details of contribution made by the top 10 suppliers, including as a percentage of our total purchases of our Company for Fiscals 2025, 2024, and 2023 are set out below:

(₹ in million, except percentages)

Sr no.	Name of the Supplier	Fiscal 2025	
		Amount (₹)	%
1.	Supplier No. 1*	82.33	13.39%
2.	Supplier No. 2*	41.38	6.73%
3.	Supplier No. 3*	39.74	6.46%
4.	Supplier No. 4*	38.16	6.21%
5.	Supplier No. 5*	35.06	5.70%
6.	ESP Engineered Components Private Limited	23.10	3.76%
7.	Dhand Steel Traders	21.11	3.43%
8.	Bharti Hydro Fittments & Engineers Private Limited	19.67	3.20%
9.	Supplier No. 9*	19.17	3.12%
10.	Prashant Steel Company	17.14	2.79%
Total		336.86	54.78%

*Names have not been disclosed due to non-receipt of consent

(₹ in million, except percentages)

Sr No.	Name of the Supplier	Fiscal 2024	
		Amount (₹)	%
1.	Supplier No. 1*	97.20	20.48%
2.	Supplier No. 2*	67.65	14.25%
3.	Supplier No. 3*	24.65	5.19%
4.	Supplier No. 4*	22.32	4.70%
5.	Dhand Steel Traders	20.17	4.25%
6.	ESP Engineered Components Private Limited	19.72	4.15%
7.	Goyal Bright Steel	18.44	3.89%
8.	Supplier No. 5*	15.31	3.23%
9.	Bharti Hydro Fittments & Engineers Private Limited	13.48	2.84%
10.	Mangalam Steel Corporation	11.90	2.51%
Total		310.85	65.49%

*Names have not been disclosed due to non-receipt of consent

(₹ in million, except percentages)

Sr No.	Name of the Supplier	Fiscal 2023	
		Amount (₹)	%
1.	Supplier No. 1*	102.26	21.98%
2.	Supplier No. 2*	67.65	14.54%
3.	Supplier No. 3*	35.27	7.58%
4.	Supplier No. 4*	32.44	6.97%
5.	ESP Engineered Components Private Limited	19.54	4.20%
6.	Ferromet Resources	16.39	3.52%
7.	Supplier No. 7*	15.38	3.31%
8.	Goyal Bright Steel	15.15	3.26%
9.	Supplier No. 9*	14.72	3.16%
10.	Dhand Steel Traders	14.14	3.04%
Total		332.94	71.56%

*Names have not been disclosed due to non-receipt of consent

We generally maintain multiple sources for each of our major raw materials. However, in the absence of long-term agreements, we are exposed to risks related to supply delays, pricing volatility, and performance uncertainty. Raw material prices are influenced by several external factors, including commodity price fluctuations, input cost variations, regulatory changes, environmental conditions, and trade sanctions. While the share of our total purchases attributable to the top 10 largest supplier groups has declined over the last three Financial Years, we believe that we will continue to derive a significant portion of our raw materials from these supplier groups. Although we have not had any material disruptions in the supply of raw materials in the Fiscals 2025, 2024 and 2023, in the absence of long term contracts, we may encounter situations where we might be unable to manufacture and deliver our products due to, amongst other reasons, our inability to procure raw materials for our products. As a result, the success of our business is significantly dependent on maintaining good relationships with our raw material suppliers. Additionally, our inability to predict the market conditions may result in us placing supply orders for inadequate quantities of such raw materials. Our customer purchaser orders are usually on a monthly/ bi- monthly basis based on the average buying price of raw materials with the differences above or below these averages adjusted with the customer. Further, our suppliers may not perform their obligations in a timely manner or at all, resulting in possible delays in our operations. Although we have had no suppliers declare a force majeure event in Fiscal 2025, 2024, and 2023, in the event of a supply disruption in the future we may not be able to locate such alternate supplies of raw material in a timely manner or at all or at commercially acceptable terms.

4. We may be unable to successfully execute our plans to expand operations or to successfully implement our business plans and growth strategies in a timely manner or within budget estimates, which could materially and adversely affect our business, results of operations and financial condition.

We may be unable to sustain growth and expanded operations in the future financial periods. Further, our business and results of operations may be adversely affected if we are unable to successfully implement our business plans and growth strategies in a timely manner or within budget estimates. See “Our Business - Our Strategies” on page 183 for details of our business and growth strategies.

In the past, we have experienced negative growth and the table below sets forth the details of growth in our profit after tax, for the periods indicated:

(₹ in million, except in percentage)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹)	Change from previous Fiscal	Amount (₹)	Change from previous Fiscal	Amount (₹)	Change from previous Fiscal
Profit after tax for the period / Year	196.19	69.19%	115.96	(35.59) %	180.02	(5.49) %

For further details with respect to reason for increase/ decrease for profit after tax, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations-Our Results of Operations*” on page 286.

We have in the past invested towards capital expenditure (i.e. gross additions) in order to expand our manufacturing capabilities across our Manufacturing Facilities. Our capital expenditure (i.e. gross additions) as a percentage of total revenue from operations for the Fiscals 2025, 2024 and 2023 were as follows:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Capital Expenditure	301.77	18.70	359.95	26.13	166.81	12.51

For details with respect to our capital expenditure See “*Our Business - Our Strategies - Enhancing our manufacturing capabilities*” on page 183. Such initiatives and enhancements may require us to make considerable capital expenditures. Additionally, in developing our business strategy, we make certain assumptions including, but not limited to, those related to consumer demand and preferences, competition landscape and the economy in India and globally, however, the actual market demand and economic and other conditions may be different from our assumptions.

We cannot assure you that our growth will continue at a rate similar to what we have experienced in the past or that we will be able to successfully implement our business plans, or that our growth strategies will continue to be successful and that we will be able to continue to increase our revenues. A principal component of our strategy is to continue our pace of growth by expanding the size and scope of our business and further expanding our distribution network and product offerings in response to increasing consumer needs. Continuous expansion increases the challenges involved with our ability to maintain high levels of consumer satisfaction and quality standards, develop and maintain relationships with our distributors, direct customers and our vendors. Further, such expansion could be affected by many factors, including general political and economic conditions, geo-political landscape and government policies.

Risks that we may face in implementing our business strategies may substantially differ from those previously experienced, thereby exposing us to risks related to new markets, industry verticals and consumers. Such risks could include unfamiliarity with pricing dynamics, competition and operational issues as well as our ability to retain key management and employees. We cannot assure you that we will not experience issues such as capital constraints and challenges in retaining and training our skilled personnel, or that we will be able to implement management, operational and financial systems, procedures and control systems that are adequate to support our future growth. Moreover, we may be unable to anticipate, understand and address the preferences of our existing and prospective consumers or to understand evolving industry trends and our failure to adequately do so could adversely affect our business. Failure to meet consumer demand in a timely manner or at all will adversely affect our competitive position. Any of these risks may place us at a competitive disadvantage, limiting our growth opportunities and adversely affecting our business, results of operations and financial condition.

If we are not successful in implementing our business plans or growth strategies in a timely manner or within budget estimates or manage our expansion, it could adversely affect our business, results of operations and financial condition.

- We derive a significant portion of our revenue from operations from direct sales to our customers. Any adverse changes in this sector or any other sector in which our direct customers operate could adversely impact our business, results of operations and financial condition.***

During Fiscals 2025, 2024, and 2023, 71.70%, 66.86%, and 65.85% respectively, of our revenue from operations, was generated through direct sales in both domestic and export markets. Within domestic sales,

a substantial portion of our revenue is derived from direct customers. The details of revenue generated from direct customers and distributors in the domestic and export markets for Fiscals 2025, 2024, and 2023 are as follows:

Distribution Channel	Market	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Direct Sales	Domestic	1,022.25	63.34	846.22	61.45	822.17	61.66
	Overseas	407.60	25.26	401.94	29.19	379.23	28.44
Sub-Total (A)		1,429.85	88.60	1,248.16	90.64	1,201.40	90.10
Distributors*	Domestic	134.87	8.36	74.54	5.41	55.67	4.18
	Overseas	49.10	3.04	54.38	3.95	76.29	5.72
Sub-Total (B)		183.97	11.40	128.92	9.36	131.96	9.90
Grand Total (A+B)		1,613.82	100.00	1,377.08	100.00	1,333.36	100.00

*Including distribution partner

Our domestic business is significantly dependent on sales to our direct customers. Purchase orders from our direct customers may be lost or reduced if they face disruptions in their production activities. Such disruptions may arise from equipment failure, labour issues, regulatory actions, environmental or safety concerns, or other operational challenges. A prolonged reduction or loss of orders from one or more major direct customers could adversely affect our business, results of operations and financial condition. There can be no assurance that any instance of economic cyclicality, significant reduction in demand or negative trends in the solar energy industry, or other industries that we cater to, will not occur in the future, which may impact our sales and in turn adversely affect our business, financial condition, cash flows and results of operations.

6. Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.

As on date of this Draft Red Herring Prospectus, we have six manufacturing facilities out of which four facilities are located in Maharashtra and two in Madhya Pradesh. The table below sets forth the installed production capacity and the capacity utilization of our Manufacturing Facilities for Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Manufacturing Facilities	Particulars	Units	Fiscal 2025*	Fiscal 2024*	Fiscal 2023*
Thane Unit (Maharashtra)	Installed Capacity	Pieces in Lakhs	35.00	35.00	35.00
	Actual Production	per annum	28.00	27.00	25.00
	Capacity Utilization	%	80.00%	77.14%	71.43%
Shirwal Unit (Satara, Maharashtra)	Installed Capacity	Pieces in Lakhs	144.00	190.00	213.00
	Actual Production	per annum	98.00	111.00	160.00
	Capacity Utilization	%	68.05%	58.42%	75.12%
Kavathe Unit (Satara, Maharashtra)	Installed Capacity	Pieces in Lakhs	180.00	56.00	NA
	Actual Production	per annum	99.00	42.00	NA
	Capacity Utilization	%	55.00%	75.00%	NA
Pithampur Unit-I (Madhya Pradesh)	Installed Capacity	Pieces in Lakhs	48.00	48.00	48.00
	Actual Production	per annum	33.00	44.00	43.00
	Capacity Utilization	%	68.75%	91.67%	89.58%
Pithampur Unit-II (Madhya Pradesh)	Installed Capacity	Pieces in Lakhs	48.00	37.00	30.00
	Actual Production	per annum	30.00	24.00	19.00
	Capacity Utilization	%	62.50%	64.86%	63.33%
Nashik Unit (Maharashtra)	Installed Capacity	MTPA	3,120.00	3,120.00	2,076.00
	Actual Production		1,860.00	1,524.00	1,560.00
	Capacity Utilization	%	59.62%	49.85%	75.14%

*As certified by Nandkishor P. Kalekar, Independent Chartered Engineer by certificate dated September 3, 2025

⁽¹⁾ Installed capacity represents the installed capacity as of the last date of the relevant Fiscal. The installed capacity are based on various assumptions and estimates, including standard capacity calculation practice in the hydraulic fittings industry and capacity of other ancillary equipment installed at the manufacturing facility. Assumptions and estimates taken into account for measuring installed capacities include 300 working days in a year and 2 shifts of 8 hours each on 16 hours basis working of manufacturing plant per day.

⁽²⁾ Actual production represents quantum of production in the relevant Fiscal.

⁽³⁾ Capacity utilization has been calculated on the basis of actual production in the relevant Fiscal divided by the installed capacity.

For further details in relation to our manufacturing facilities, see “Our Business – Material Properties” on page 192.

These rates are not indicative of future capacity utilization rates, which are dependent on various factors, including demand for our products, availability of raw materials, shipping cost, our ability to manage our inventory and improving operational efficiency. Under-utilization of our production capacities over extended periods or significant under-utilization in the short-term could materially and adversely impact our business, growth prospects and future financial performance. Our ability to maintain our profitability depends on our ability to maintain optimum levels of capacity utilization. Our capacity utilization levels are dependent on our ability to carry out uninterrupted operations at Units, orders under execution, the availability of raw materials, industry/ market conditions, as well as by the product requirements of, and procurement practice followed by our customers. In the event that there is a decline in the demand for our products, or if we face prolonged disruptions at our manufacturing facilities including due to interruptions in the supply of water, electricity or as a result of labor unrest, or are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our manufacturing facilities, resulting in operational inefficiencies which could have a material adverse effect on our business, results of operations, profitability and margins, cash flows and financial condition.

Further, we intend to use a part of the Net Proceeds funding towards capital expenditure of our Company by expanding our production capacities at Shirwal Unit, Kavathe Unit and Pithampur Unit-I by installing additional plant and machinery. Our proposed expansion plans are based on demand forecasts that are subject to various assumptions including product trends in the industry, seasonality in the industry and end-customer spending preferences, that are based on prevailing economic conditions. Adequate utilization of capacities at the aforesaid Facilities is therefore subject to various factors beyond our control and in case of oversupply in the industry or lack of demand, we may not be able to utilise our expanded capacities efficiently. The success of any capacity expansion and expected return on investment on capital invested is subject to, among other factors, the ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel; ability to absorb additional infrastructure costs and funding capital expenditure of our Company develop new expertise while also utilizing the expanded capacities as anticipated.

7. ***While we cater to multiple industry segments, a significant portion of our revenue comes from construction machinery and farming industry segments. We may be affected by any reduction in the demand or requirement of products in such industries which can adversely impact our business, financial condition, results of operations, cash flows and prospects.***

While we cater to multiple industry segments, a significant portion of our revenue from operations comes from construction machinery, farming, automotive industries and any slowdown in these sectors could adversely affect our business, financial condition, results of operations, cash flows and prospects. During Fiscals 2025, 2024, and 2023, revenue from customers in these three sectors accounted for 52.33%, 54.55%, and 55.12%, respectively of our revenue from operations. Set forth below is the composition of our revenue by industry segment:

Industry Segment	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Construction Machinery	378.77	23.47	352.95	25.63	291.78	21.88
Farming	302.94	18.77	248.31	18.03	326.09	24.46
Automotive	162.79	10.09	149.95	10.89	117.09	8.78
Injection Moulding Machines	67.88	4.21	56.29	4.09	51.76	3.88
Hydraulic Systems	59.90	3.71	59.86	4.35	40.27	3.02
Others*	641.54	39.75	509.73	37.02	506.37	37.98
Total	1,613.82	100.00	1,377.08	100.00	1,333.36	100.00

*Others includes unidentified sectors since sold through distributors.

These industries may be sensitive to factors beyond our control, including general economic conditions such as consumer demand, consumer confidence, inflation, employment and disposable income levels, interest rate levels, demographic trends, technological changes, increasing environmental, health and safety regulations, government infrastructure spending, agriculture output, political instability and fluctuation in fuel prices. A loss of, or a significant decrease in business from top customers could materially and adversely affect our business, results of operations and financial condition.

Fluctuations in the performance of the industries in which our customers operate may result in a decrease in the volume of work we undertake or the price at which we offer our services, which could materially and adversely affect our business, results of operations and financial condition. Though, no such instance has occurred in last three fiscal years we cannot assure that a similar situation will not occur in the future.

8. *We are in the process of undertaking certain expansion activities and intend to continue to do so in the future, which may not materialize as expected or at all which in turn may have an adverse impact on our business and financial condition.*

We are currently undertaking capacity expansion of our some of manufacturing facilities and intend to continue such expansion to enhance our production capabilities. For this purpose, we intend to expand existing capacities at Kavathe Unit, Shirwal Unit and Pithampur Unit-I by procuring new plant and machinery. Out of the Net Proceeds, ₹ 319.86 million is proposed to be utilized towards funding capital expenditure for this expansion. For further details in on our expansion plans, see “*Our Business - Strategies*” and “*Our Objects - Details of the Objects*” on page 183 and 107, respectively.

We cannot assure you that we will be able to complete such expansion activities, whether at all or within the expected estimated cost and timeline. These activities may also require us to obtain necessary approvals and licenses for governmental and regulatory authorities at the appropriate stages, including environmental clearances. Any inability or delay on our part to procure such approvals, or non-compliance with the terms of approvals received in this respect, could further delay the implementation of such targeted expansion, expose us to additional costs and adversely affect our growth, prospects, cash flows and financial condition.

Further, our expansion plans may subject us to various risks such as cost overruns or delays for various reasons, including our financial condition, changes in business strategy and external factors such as market conditions, competitive environment and interest or exchange rate fluctuations, changes in design and configuration, increase in input costs of construction materials and labor costs, taxes and duties, working capital margin and other external factors which may not be within the control of our management such as engineering or technical problems and government approvals and consents. Any delay in implementing our expansion plans in relation to our manufacturing facilities, including due to delays in receipt of approvals and supply chain disruptions, could lead to revenue loss for our Company. While there have been no material delays or costs incurred in execution of our manufacturing facilities’ expansion in the Fiscals 2025, 2024, and 2023, there can be no assurance that such instances will not occur in the future.

9. *Four out of our six Manufacturing Facilities are concentrated in Maharashtra, India and balance two in Madhya Pradesh. Any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in the state of Maharashtra or Madhya Pradesh where our other Manufacturing Facilities are located could have an adverse effect on our business, results of operations and financial condition.*

We have four of our six Manufacturing Facilities located in the state of Maharashtra and two Manufacturing Facilities located in the state of Madhya Pradesh. The Manufacturing Facilities located in Maharashtra contributed 77.27%, 77.43% and 80.60% of our revenue from operations for Fiscals 2025, 2024 and 2023, respectively.

Our Manufacturing Facilities and our operations are susceptible to local and regional factors, such as economic and weather conditions, natural disasters, political, demographic and population changes, adverse regulatory developments civil unrest and other unforeseen events and circumstances. Such disruptions could result in the damage or destruction of one or more of our manufacturing capabilities, significant delays in shipments of our products and/or otherwise materially adversely affect our business, financial condition and results of operations. The occurrence of any of these events could require us to incur significant capital expenditure or change our business structure or strategy, which could have an adverse effect on our business, results of operations, future cash flows and financial condition. While we have not experienced any such disruptions in the last three years in our operations due to the concentration of our manufacturing facilities in the state of Maharashtra or Madhya Pradesh, we cannot assure you that there will not be any significant

developments in these regions in the future that may adversely affect our business, results of operations and financial condition. Any significant social, political, economic or seasonal disruption, natural calamities or civil disruptions in areas of future expansion could also adversely affect our business, results of operations and financial condition in the future.

10. A significant portion of our domestic revenues are derived from the western and central zone and any adverse developments in this market could adversely affect our business.

The table below set forth our geography-wise domestic revenue, which is also expressed as a percentage of our revenue from operations for Fiscals 2025, 2024 and 2023:

(₹ in million except percentage)

Zone	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	%	Amount	%	Amount	%
West ⁽¹⁾	605.20	52.30	472.93	51.36	476.02	54.23
Central ⁽²⁾	231.85	20.04	202.00	21.94	162.25	18.48
South ⁽³⁾	186.09	16.08	126.16	13.70	122.05	13.90
North ⁽⁴⁾	133.62	11.55	119.46	12.97	117.52	13.39
East ⁽⁵⁾	0.36	0.03	0.21	0.02	-	-
Total	1,157.12	100.00	920.76	100.00	877.84	100.00

⁽¹⁾ West includes Maharashtra, Gujarat, Rajasthan, and Goa

⁽²⁾ Central includes Madhya Pradesh and Chhattisgarh

⁽³⁾ South includes Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and Telangana

⁽⁴⁾ North includes Jammu and Kashmir, Himachal Pradesh, Punjab, and Haryana

⁽⁵⁾ East includes West Bengal, Odisha, Jharkhand, and Bihar

See “Our Business - Overview” on page 177 of this Draft Red Herring Prospectus. We have historically derived a significant portion of our revenue from sales in the western and central zones. Accordingly, any materially adverse social, political or economic development, natural calamities, civil disruptions, regulatory developments or changes in the policies of the state or local government in these regions could adversely affect our manufacturing and distribution activities, result in modification of our business strategy or require us to incur significant capital expenditure, which will in turn have a material adverse effect on our business, financial condition, results of operations, and cash flows. Further, our sales from this region may decline as a result of increased competition, regulatory action, pricing pressures, fluctuations in the demand for or supply of our products or services, or the outbreak of an infectious disease such as COVID-19. Our failure to effectively react to these situations or to successfully introduce new products or services in these markets could adversely affect our business, prospects, results of operations, financial condition and cash flows.

11. An increase in the cost of or a shortfall in the availability of raw materials such as carbon steel, stainless steel, from our suppliers due to various reasons could have a material adverse effect on our business, results of operations, cash flows and financial condition as we may not be able to pass on such costs to our customers.

Our operations are dependent upon the price and availability of the raw materials which primarily consists of carbon steel, stainless steel, that we require for the production of our products. The following table sets forth the details of our total cost of materials for the periods indicated:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Cost of Materials consumed (₹ in million)	591.77	504.36	475.21
Cost of Materials Consumed as a Percentage of Total Expenses (%)	42.11%	40.23%	42.14%

The price and availability of raw materials for our products depends on several factors beyond our control, including overall economic conditions, production costs and levels, market demand and competition for such materials, production and transportation cost, government policies, indirect taxes and import duties, global geopolitical events such as the war between Russian-Ukraine, tensions in the Middle East and Central Asian regions, tariffs, absence of long-term supply agreements and contracts and fluctuations in the foreign currency exchange rate. We source majority of our raw materials domestically, with limited procurement from international markets, Details of our raw material break-up sourced from domestic and overseas vendors is as follows:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in million)	% of raw materials purchased	Amount (₹ in million)	% of raw materials purchased	Amount (₹ in million)	% of raw materials purchased
India	609.27	99.08	473.64	99.78	464.97	99.93
Outside India	5.68	0.92	1.03	0.22	0.31	0.07
Total	614.95	100	474.67	100	465.28	100

Any disruption in the procurement of raw materials could have a material adverse effect on our business, results of operations, cash flows and financial conditions. Any increase in the cost of inputs to our production could lead to higher costs for our products. If we increase the prices of our products to offset the impact of higher costs, this may cause certain of our customers to cancel orders or refrain from purchasing our products, which may materially and adversely reduce the demand for our products, and thus, negatively impact our operating results. While we have not faced any such cancellations in the past, there cannot be any assurance that we may not face the same going forward. Further, if we are unable to pass on cost increases to our customers or are unsuccessful in managing the effects of raw material price fluctuations, our business, financial condition, results of operations and cash flows could be materially and adversely affected. For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 286.

12. We are highly dependent on our Promoters, our Key Managerial Personnel and our Senior Management. Any inability on our part to retain or recruit skilled personnel could adversely affect our business, results of operations and financial condition.

We are highly dependent on our Promoters, Key Managerial Personnel and Senior Management, for setting our strategic business direction and managing our business. Our Promoters who have significant experience in the hydraulic fittings industry, have led our business and operations. They play a vital role in providing us strategic guidance and direction. For further details, see “*Our Management*” and “*Our Promoters and Promoter Group*” on pages 204 and 220, respectively. A loss of the services of any of our Promoters, Key Managerial Personnel and Senior Management could adversely affect our business, results of operations, cash flows and financial condition.

Further, our success depends to a large extent upon the continued efforts and services of our Key Managerial Personnel, including our Senior Management with technical expertise, and we rely significantly on their experience. There can be no assurance that we will be able to retain these personnel. For further details, see “*Our Management*” on page 204. Our success also depends, in part, on key customer and supplier relationships forged by them and we cannot assure you that we will be able to continue to maintain these customer relationships, or renew them, if we are unable to retain such members of our Key Managerial Personnel and Senior Management, which could adversely affect our business and results of operations.

If one or more of our Key Managerial Personnel or Senior Management Personnel are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business, results of operations and financial condition could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. As of March 31, 2025, we had 425 permanent employees. The details in relation to the attrition rate of Key Managerial Personnel and Senior Management are set forth below:

Particulars	Attrition rate (in %)*		
	Fiscal 2025	Fiscal 2024	Fiscal 2023
Key Managerial Personnel	20.00%	50.00%	0.00%
Senior Management	45.45%	16.67%	30.77%

**Attrition rate has been calculated as the number of key managerial personnel/senior management who have resigned during the period, divided by the number of key managerial personnel/senior management existing as of the beginning of the period and the numbers of key managerial personnel/senior management who have joined during the period.*

While these positions have been appropriately filled and we have not faced any impact due to the resignations, we cannot assure that future resignations will not have any impact on the Company’s business or operations.

For further details, see “*Our Management - Changes in our Board during the last three years*” and “*Our Management – Changes in Key Management Personnel and Senior Management during the last three years*” on page 210 and 218, respectively.

There is significant competition for management and other skilled personnel in the hydraulic fittings industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. If we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, results of operations and financial condition may be adversely affected. For further information, see “*Our Management*” on page 204.

13. *Our existing manufacturing facilities are critical to our business operations. The unexpected shutdown or slowdown of operations at our any of our manufacturing facilities could have a material adverse effect on our business, results of operations, cash flows and financial condition.*

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of efficiency, obsolescence, labour disputes, natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. While we undertake precautions to minimize the risk of any significant operational problems at our manufacturing facilities, there can be no assurance that our business, results of operations, cash flows and financial condition will not be adversely affected by disruption caused by operational problems at our manufacturing facilities. Any unscheduled, unplanned or prolonged disruption of our manufacturing operations, including, power failure, fire and unexpected mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes, lock-outs, earthquakes and other natural disasters, industrial accidents, any significant social, political or economic disturbances, could reduce our ability to meet the conditions of our contracts and adversely affect sales and revenues from operations in such period. The occurrence of any of these risks could affect our operations by causing production to shut down or slowdown. No assurance can be given that one or more of the factors mentioned above will not occur, which could have a material adverse effect on our results of operations and financial condition.

Further, some of our key equipment may, on occasion, be out of service as a result of routine servicing or unanticipated failures, which could require us to close part or all of the relevant manufacturing facilities or cause production reductions on one or more of our manufacturing facilities. Our manufacturing facilities and such key equipment would be difficult and expensive to replace on a timely basis. Any interruption in production may require significant and unanticipated capital expenditure to affect repairs or increase the cost of power, which could have a negative effect on profitability and cash flows. Any or all of these occurrences could result in the temporary or long-term closure of our manufacturing facilities, severely disrupt our business operations and materially adversely affect our business, results of operations, cash flows and financial condition. We have not experienced any major disruptions at any of our manufacturing facilities in the last three Fiscals and we cannot assure you that there will not be any such disruptions in the future.

14. *We have not placed orders in relation to purchase of machineries. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the machineries in a timely manner, or at all, the same may result in time and cost over-runs.*

We intend to use a portion of the Net Proceeds towards funding capital expenditure of our Company. For details, see “*Objects of the Offer*” on page 105. As of the date of this Draft Red Herring Prospectus, our Company has not placed any orders for machinery and equipment for expansion at Kavathe Unit, Shirwal Unit; and Pithampur Unit-I, constituting 100% of the value of the total machinery and equipment to be purchased from the Net Proceeds. For details regarding such plant and machinery, see “*Objects of the Offer*” on page 105. While we have procured quotations from vendors in relation to the purchase of machinery to support our expanding operations, we have not placed any firm orders for any of them. Such quotations are valid as on date of this Draft Red Herring Prospectus and maybe subject to revisions, and other commercial and technical factors. We cannot assure that we will be able to undertake such expenditure at the costs indicated by such quotations or that there will not be cost escalations over and above the contingencies proposed to be funded out of the Net Proceeds. Further, the actual amount and timing of our future capital requirements may differ from our estimates as a result of, among other things, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, engineering design changes and technological changes. In the event of any delay in placing the orders, or an escalation in the cost of acquisition of the

equipment or in the event the vendors are not able to provide the equipment and services in a timely manner, or at all, we may encounter time and cost overruns. Further, if we are unable to procure equipment and ancillary items or avail services from the vendors from whom we have procured quotations, we cannot assure you that we may be able to identify alternative vendors to provide us with the similar kind of plant and machinery, equipment and ancillary items and services, which satisfy our requirements at acceptable prices. Alternatively, if we in future get more favourable quotes from the alternate vendors then we may consider procuring from such alternate vendors. Our inability to procure the machinery and equipment and services at acceptable prices or in a timely manner, may result in an increase in capital expenditure, extension or variation in the proposed schedule of implementation and deployment of the Net Proceeds, thereby resulting in an adverse effect on our business, prospects and results of operations.

15. *We extend credit to certain of our customers including our related parties. There is no assurance that we will be able to receive the same in a timely manner or receive the same at all. Any delay or non-receipt of outstanding amount will impact our financials.*

We extend credit to certain of our customers, including our related parties i.e., Hy-Tech Fluid Power Private Limited, Hy-Tech USA Inc. and NR Hytech Engineers Private Limited, there is no assurance that we will be able to recover outstanding amounts in part, full or at all or in a timely manner. We have and may continue to have high levels of outstanding receivables. For the Fiscals 2025, 2024, and 2023 our trade receivables were as follows, which are also expressed as a percentage of our revenue from operations:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	% of sales	Amount	% of sales	Amount	% of sales
Receivables from related parties	21.36	1.32	33.34	2.42	27.76	2.05
Others	435.85	27.01	335.29	24.35	398.14	29.86
Total	457.21	28.33	368.63	22.84	425.53	31.91

Further, for Fiscals 2025, 2024, and 2023, our average outstanding receivable days were 92 days, 104 days, and 111 days, respectively. Hence, if delays or defaults in customer payments continue or increase in proportion to our total revenues, it could negatively affect our cash flows and consequently affect our financial condition and operations. While we have not faced any such situation during Fiscal 2025, 2024, and 2023, we cannot assure you that such instances will not occur in future. In addition to above there may also be possibility that some of the customers may deduct certain amount while making final payments on account of any deficiency in work. While we have not faced any such situation during Fiscal 2025, 2024, and 2023, we cannot assure you that such instances will not occur in future. Further, while we may take appropriate action in the event of a non-payment of receivables, there can be no assurance that we will be able to successfully recover outstanding amounts owed to us in part or full, which in turn could affect our cash flows and may adversely affect our financial condition and operations.

16. *We are unable to trace some of our historical records and regulatory filings by our Company. Further, there have been certain inadvertent errors or inaccuracies in the filings made with RoC. We cannot assure you that legal proceedings or regulatory actions will not be initiated against us in the future, which could adversely affect our financial condition and reputation.*

Our Company is unable to trace certain filings pertaining to historical secretarial information, minutes of board and shareholders' meetings, copies of share transfer forms, certain records from the statutory registers and filings with the RoC. These include certain Form 2, Form 18 and Form 32 required to be filed with RoC until 2002, for allotment of equity shares, change in registered office, appointment or change in designation of director respectively, and certain annual returns filed by the Company. Accordingly, we have relied on signed minutes of the Board of Directors, its committees and/or shareholders' meetings, statutory registers and annual reports, to the extent available. Similarly, for the build-up of our Promoters' shareholding in our Company and secondary transactions involving the members forming part of promoter group, we are unable to trace certain share transfer forms and related documents, and therefore, we have relied on the signed minutes of the Board meetings and committees, share transfer deeds, annual returns, statutory registers, for the transfers to the extent available. We have also conducted internal searches and relied on the search report dated September 3, 2025 issued by Elias L. Rodrigues & Co., an independent practicing company secretary, who conducted a physical search of our documents filed with the RoC, confirming that the aforementioned filings are not traceable at the offices of the RoC. In relation to the missing ROC filings, we have intimated the ROC by way of our letter dated September 03, 2025 in Form GNL-2, vide SRN: AB6493032. While we have relied on alternative documents such as board resolutions, shareholders' resolutions, other form filings

and supporting documents available in our records for the purpose of making disclosures in relation to such untraceable corporate/secretarial records in the Draft Red Herring Prospectus, we cannot assure you that we will be able to trace these records. We also cannot assure you that we will not be subject to any adverse action by any authority in relation to such untraceable records. We have included certain information in relation to these missing documents in “*Capital Structure*” on page 86, “*History And Certain Corporate Matters*” on page 199, “*Our Management*” on page 204 in this Draft Red Herring Prospectus.

Additionally, there have been certain discrepancies and delays / defaults in the filings required to be made by the Company with the RoC in the past. Our Company has intimated such discrepancies in the filings to the RoC by our Company, vide its letter dated September 03, 2025 in Form GNL-2, vide SRN: AB6493032. Further, there was a delay in filing Form MGT-14 for special resolution passed for continuation of Hemant Tukaram Mondkar on attaining the age of seventy years. Accordingly, we filed an adjudication application with the RoC, pursuant to which we received a communication stating that the application was non-maintainable and that we may avail an appropriate remedy. We intend to file an application for condonation of delay; however, due to technical difficulties on the MCA portal, we have not yet been able to proceed with the same. While no legal proceedings or regulatory actions have been initiated or are currently pending against us in relation to these matters, we cannot assure that we will not be held liable in the future for such non-compliances.

17. *We may be unable to obtain, renew or maintain statutory and regulatory permits, licenses and approvals required to operate our business and operate our manufacturing facilities which could have an adverse effect on our business, result of operations, financial condition and cash flows.*

Our operations are subject to various central, state, and local laws and regulations in the jurisdictions in which we operate. Consequently, we are required to obtain and maintain numerous approvals, consents, registrations, and licenses from governmental and regulatory authorities to operate our business and manufacturing facilities. For details of approvals relating to our business and operations including those that are pending for application, see “*Government and Other Approvals*” on page 333.

Several of these approvals are granted for a limited duration. While we have obtained the necessary and material approvals, from the relevant authorities, there have been instances in the past where we may not have obtained or applied the requisite approvals applicable to us. For instance, in the last three fiscals, we did not have the necessary consents to operate (CTO) under the pollution control laws in respect of our Nashik Unit for the period May 01, 2023 to October 11, 2023. Therefore, we have been in contravention of the Air Act, Water Act, and the Hazardous Waste Management Rules for operating our Nashik Unit without the valid CTO granted by the concerned PCB. While no further actions have been taken in relation to such violations mentioned above, we may, in the future, be subjected to regulatory actions for any violations including imposition of penalties and other penal actions against our Company and key personnel, which may have a negative impact on our business, reputation, results of operations and cash flows.

We also need to apply for renewal, from time to time, of some such approvals, licenses, registrations and permits, which expire or seek fresh approvals, as and when required, in the ordinary course of our business. While we generally apply for the renewal of approvals in a timely manner, we cannot assure that such approvals will be issued or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be adversely affected. During the last three Fiscals, there have been no instances where our application for seeking approval or renewal, as applicable, have been rejected by the relevant authority.

Further, under such circumstances, the relevant authorities may initiate penal action against us, restrain our operations, impose fines/ penalties or initiate legal proceedings for our inability to renew/obtain approvals in a timely manner or at all. The approvals required by us are subject to numerous conditions including *inter alia* compliance with provisions of environmental laws, conditions for treatment and disposal of waste, adherence to emission standards, submission of reports, filing of timely applications for renewal prior to expiry of existing licenses, etc. We cannot assure you that our approvals, licenses, permits and registrations would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action.

If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. In addition, these registrations, approvals or licenses are liable to be cancelled or the manufacture or sale of products may

be restricted. In case any of these registrations, approvals or licenses are cancelled, or its use is restricted, then it could adversely affect our results of operations or growth prospects.

Further, we cannot assure you that the legal framework, licensing and other regulatory requirements or enforcement trends in the industries and jurisdictions in which we operate will not further change in a manner that makes it more costly or difficult to renew or obtain the statutory and regulatory permits, licenses and approvals we require to operate our business, or that we will be successful in responding to such changes. Moreover, as we grow our business, the requirements for obtaining new licenses, approvals and authorizations will also increase. If we lose or are otherwise unable to maintain any of our required licenses, registrations, permits and approvals under the applicable laws and regulations, our business operations may be adversely affected which in turn could have an adverse effect on our results of operations, financial condition and cash flows.

18. *We are subject to strict quality requirements, regular inspections by our customers, and any failure to comply with quality standards may lead to cancellation of existing and future orders and could negatively impact our business, results of operations and financial condition.*

We are engaged in the manufacturing and supply of products which are used in various industries including construction, farming, automobile, injection moulding machines, hydraulic systems and railways. These products are required to meet precise and specific requirements including in terms of quality, measurements and tolerances. Failure by us to achieve or maintain compliance with these requirements or quality standards may disrupt our ability to supply products sufficient to meet our customers' demands, lead to the cancellation of existing and future orders, result in us incurring costs for repairing or replacing defective products as well as conducting product recalls and paying warranty and liability claims, any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows. We may also be exposed to risks of products recalls and returns or where products are returned to be reworked. Our products go through various quality checks at various stages including random sampling check and quality check internally. Some of our key customers have inspected our facilities and manufacturing processes in the past and may undertake similar inspections in the future. These inspections play a critical role in customer retention, and although we have not experienced any loss of customers due to inspection in the past, any issues that arise during such inspections may lead to loss of the particular customer. Further, failure of our products to meet prescribed quality standards may result in rejection and reworking of our products.

For the Fiscals 2025, 2024, and 2023 details of products returned, were as follows, which are also expressed as a percentage of our revenue from operations:

(₹ in million)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	%	Amount	%	Amount	%
Products returned	14.73	0.91	25.91	1.88	18.29	1.37%
Total	14.73	0.91	25.91	1.88	18.29	1.37%

While we have put in place quality control procedures, we cannot assure that our products will always be able to satisfy our prescribed quality standards. Our quality control procedures may fail to test for all possible conditions of use or identify all defects in the manufacturing of our products. While we have not faced such challenges in past, any failure on our part to successfully maintain quality standards for our products may affect our customer relationships, which may adversely affect our business, results of operations and financial condition.

19. *We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the Shareholders.*

We have in the past entered into transactions with some of our related parties. For details of our related party transactions for Fiscals 2025, 2024 and 2023 see “Summary of the Offer Document – Summary of Related Party Transactions” and “Restated Financial Information – Note 47 - Related Party Transactions” on page 28 and 281, respectively. While all such related party transactions that we have entered into have been conducted at arm's length in the ordinary course of business with approvals from the Board and/or our Shareholders, as applicable, and in accordance with applicable laws, we cannot assure you these arrangements or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. The transactions we have entered into and any future transactions with our related parties may have involved or could potentially involve conflicts of interest which may be detrimental to our Company.

Additionally, after the completion of the Offer, all related-party transactions that our Company may enter into will be subject to Audit Committee, Board or shareholder approval, as may be required under the Companies Act, 2013 and the SEBI Listing Regulations. We cannot assure you that such approvals will be received in a timely manner or at all. Further, we cannot assure you that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations or that our Company could not have undertaken such transactions on more favourable terms with any unrelated parties or that any dispute that may arise between us and related parties will be resolved in our favour.

20. Our Subsidiary, Hy-Tech ACR Private Limited (under process of striking off), has incurred losses and witnessed negative operating cash flows (on standalone basis) in the past three financial years.

Our Subsidiary has on standalone basis, incurred losses and witnessed negative operating cash flows, details of which are set out below for the periods/years indicated:

(₹ in million)			
Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Profit/(loss) before tax	(0.03)	(0.46)	(2.21)
Net cash generated from/(used in) operating activities	(0.00)	(0.43)	(1.45)

While the Company has initiated the process to strike off Hy-Tech ACR Private Limited, we cannot assure you that there will be no residual liabilities or contingent obligations associated with our Subsidiary. In the event that any unforeseen liabilities arise or regulatory objections are raised prior to or following the strike-off, our Company may be required to support such liabilities, in the future and our investments in the Subsidiary may eventually be written-off, which could subject us to additional liabilities and could have an adverse effect on our Company's reputation, profitability and financial condition.

21. Our Registered and Corporate Office and majority of our Manufacturing Facilities are located on leased properties. There can be no assurance that these lease agreements shall be renewed upon termination or that we shall be able to obtain other premises on lease on same or similar commercial terms, which could adversely affect our business, results from operations, financial conditions and cash flows.

Four of our six manufacturing facilities in India including our registered and corporate office have been taken by us on lease hold basis, with the balance term of such leases ranging from 13 years to 57 years. For details of such leased properties, see "Our Business - Material Properties" on page 192.

There can be no assurance that these lease agreements will be renewed upon termination, or that we will be able to obtain other premises on a leasehold basis on the same or similar commercial terms or at all. Under the terms of the respective lease agreements entered into with the respective lessors, we are subject to various payment and compliance requirements, including timely payment of lease rentals, payment of the existing and future taxes, rates, and service charges, certain building and planning related compliances, insurance requirements, and compliance with applicable pollution control norms. Non-compliance with any such terms could potentially lead to termination of such lease agreements. In the event that these existing leases are terminated, or they are not renewed on commercially acceptable terms or at all, we may have to relocate to alternative premises or shut down our operations at that site, resulting in a disruption in our operations. Further, upon expiration of the relevant agreement for each such above mentioned units, we will be required to negotiate the terms and agreements on which the lease may be renewed. Our inability to renew the lease agreements on commercially favorable terms may lead to disruptions to our business and have a material adverse impact on our financial condition and results of operations.

22. Changes in international trade policies, geopolitics and trade tariffs, export controls, economic or trade sanctions may materially and adversely affect our business, financial condition, cash flows and results of operations.

Our business is exposed to international trade policies, geopolitical tensions and the imposition of tariffs, export controls or economic sanctions, all of which are inherently unpredictable and beyond our control. Such developments may lead to restrictions on product sales in certain jurisdictions, limit access to key markets, and adversely affect cross-border commercial relationships. Changes in trade or investment agreements could result in bans or limitations on our goods, thereby impacting our growth and expansion plans.

Additionally, economic sanctions or regulatory measures imposed by foreign government may strain relationships with customers or distributors in affected countries, reduce demand for our products, or require

us to modify or cease operations in those jurisdictions. In some markets, consumer preferences may shift toward domestically produced goods during periods of heightened geopolitical tension, further affecting demand for our exports. During the course of February and April 2025, US President Donald Trump implemented tariffs on several major trading partners, including India, Canada and the European Union, with a baseline of 10% tariffs on all countries, including India, and an additional individualised reciprocal higher tariff on the countries with which the US has the largest trade deficits. Further, and more recently, the United States imposed reciprocal tariffs on imports from India as well as China, which was further announced to be 25% on imports from India starting August 1, 2025. Furthermore, the United States has imposed an additional 25% tariff on imports from India starting August 27, 2025, as penalty for importing Russian oil. The impact of U.S. tariffs on India's export trade is anticipated to be minimal. The engineering goods sector will have a potential U.S. tariff impact, whereas steel industry is affected by the 25% tariffs although the impact is expected to be minimal given the volume of goods exported is less. (Source: CARE Report.)

Any change in government policies and regulations, including any imposition of additional duties, pre-conditions or ban imposed by the United States may have an adverse impact on our exports and our results of operations. Accordingly, the tariffs imposed by the United States on imports from India may have an impact on our export sales into the United States and/or the cost of raw materials as such measure could disrupt global supply chains and force suppliers to increase their prices.

These tariffs together with countermeasures that have been or may be adopted by trading partners affected by these tariffs are likely to disrupt global trade and increase volatility in financial markets, including stock, currency and interest rate markets.

We derive a portion of our revenue from sale of products from international sales, of which a portion, is from sales to the United States. For more details, see “*Risk Factors 2 -We derive a significant portion of revenue from operations from exports out of which a substantial portion is generated from the United States of America and any adverse developments in these markets or restrained economic or political relations of India with the United States of America could adversely affect our business.*” on page 34. Our inability to effectively manage our exports or comply with regulations in countries to which we export, may adversely affect our business, financial condition, cash flows and results of operations. The imposition of these or any similar tariffs may adversely affect our business, results of operations, cash flows and financial condition.

23. *We require sizeable amounts of working capital for our continued operation and growth. Our inability to meet our working capital requirements could have a material adverse effect on our business, results of operations and financial condition. Further, any surplus production on account of inaccurate forecasting of customer requirements and failure to manage inventory could adversely affect our business, results of operations and financial condition.*

Our business requires significant amount of working capital for day-to-day operations, procurement of raw materials and production as there is considerable time interval between purchase of raw materials and realization from sale of our finished goods and our inability to meet our working capital requirements may adversely affect our cash flow cycle. Further, certain purchase orders may require a considerable increase in materials and production costs. The credit period given to customers may be considerable and customers may not be invoiced for products until the time of delivery of our systems, or products or after their delivery and, in some cases, the customer may not pay our invoices on time or at all. Our trade receivables impact our working capital requirements and higher levels of trade receivables increase our working capital requirements.

Set forth below are the details of our working capital in Fiscal 2025, 2024, and 2023:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net working Capital ⁽¹⁾ (₹ in million)	722.63	430.22	413.31
Working capital cycle days ⁽²⁾	193	189	201
Inventory days ⁽³⁾	156	163	182
Trade receivable days ⁽⁴⁾	92	104	111
Trade payable days ⁽⁵⁾	53	75	90

(1) Net working capital is calculated as the total of current assets (excluding cash & cash equivalents and bank balances other than cash and cash equivalents) less total of current liabilities (excluding current borrowings).

(2) Working capital cycle days is calculated as the total of Inventory days and Trade Receivable Days less trade Payable Days.

(3) Inventory days are calculated as total inventories divided by total cost of goods sold multiplied by 365.

(4) Trade receivables days are calculated as trade receivables divided by total revenue from operations multiplied by 365.

(5) Trade payable days are calculated as trade receivables divided by total cost of goods sold multiplied by 365.

We expect to continue to fund our working capital requirements in the future from cash generated from operations and from working capital loans, however, our inability to meet our working capital requirements through cash from our operations or borrowings, as the case may be, could have a material adverse effect on our business, results of operations and financial condition.

As we implement our growth strategy, we may need to secure additional funding through increased debt or new equity issuance to support our working capital. Raising debt will elevate our interest and repayment obligations, potentially impacting profitability and cash flows, while also imposing additional covenants that could restrict our operational cash flow access.

Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition, cash flows and results of operations. In addition, if we experience insufficient cash flows or are unable to borrow funds on a timely basis, or, at all, to meet our working capital and other requirements, or to pay our debts, it could materially and adversely affect our business and results of operations. Management of our working capital requirements involves the timely payment of, or rolling over of, our short-term indebtedness and securing new and additional loans on acceptable terms, or re-negotiation of our payment terms for, our trade payables, collection of trade receivables and preparing and following accurate and feasible budgets for our business operations. If we are unable to manage our working capital requirements, our business, results of operations and financial condition could be materially and adversely affected. There can be no assurance that we will be able to effectively manage our working capital. Our inability to implement and maintain adequate internal control procedures and management systems for effective working capital and financial resource management could adversely affect our financial condition, thereby impacting our ability to sustain or grow our business operations., and we may breach the terms of our financing agreements with banks, face claims under cross-default provisions and be unable to obtain new financing, any of which would have a material adverse effect on our business, results of operations and financial condition. For further information on the working capital facilities currently availed of by us, see “Financial Indebtedness” on page 323.

24. There are outstanding litigations involving our Company, Promoters and our Directors. Any adverse outcome in any of these proceedings may adversely affect our reputation, results of operations and financial condition.

Our Company, our Promoters and some of our Directors are involved in certain outstanding legal proceedings, which are pending at different levels of adjudication before various courts, tribunals and other authorities. The summary of outstanding litigation involving our Company, Promoters and Directors as on the date of this Draft Red Herring Prospectus have been provided below in accordance with the materiality policy adopted by our Board.

Category of individuals / entities	Criminal proceedings	Tax proceedings	Statutory or regulatory proceedings	Disciplinary actions by SEBI or stock exchanges against our Promoters	Material civil litigations	Aggregate amount involved (₹ in million) ⁽¹⁾
Company						
Against the Company	Nil	1	Nil	N.A.	Nil	24.23
By the Company	Nil	N.A.	N.A.	N.A.	Nil	Nil
Directors *						
Against the Directors	Nil	1	Nil	N.A.	Nil	2.26
By the Directors	Nil	N.A.	N.A.	N.A.	Nil	Nil
Promoters						
Against the Promoters	Nil	Nil	Nil	Nil	Nil	Nil
By the Promoters	Nil	N.A.	Nil	Nil	Nil	Nil
Subsidiary						
Against the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
By the Subsidiary	Nil	N.A.	N.A.	Nil	Nil	Nil
KMPs and SMPs*						

Against our KMP/ SMP	Nil	N.A.	Nil	Nil	N.A.	Nil
By our KMP/ SMP	Nil	N.A.	N.A.	N.A.	N.A.	Nil

⁽¹⁾ To the extent quantifiable

* Excluding our Promoters.

As on date of this Draft Red Herring Prospectus, there are no outstanding litigations involving the Group Companies, which may have a material impact on our Company.

The amounts mentioned above may be subject to additional interest/ penalties being levied by the concerned authorities which have not been included above as not being ascertainable as on date of this Draft Red Herring Prospectus. For further details regarding these legal proceedings, see “*Outstanding Litigations and Material Developments*” on page 325.

There can be no assurance that the aforesaid proceedings will be decided in favour of our Company, Promoters or our Directors, as the case may be. In addition, we cannot assure you that no additional liability will arise out of these proceedings that could divert our management’s time and attention and consume financial resources. The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. Any adverse order or direction in these cases by the concerned authorities even though not quantifiable, may have an adverse effect on our business, results of operations and financial condition. If any new proceedings are initiated or new developments arise, such as change in law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

In addition, if the outcome of any of these proceedings leads to reputational damage, it could impact our relationships with stakeholders, including customers, suppliers, lenders, and employees, thereby adversely affecting our business continuity and growth prospects.

Furthermore, if we get involved in disputes with third parties in the course of our operations such as service providers or customers, the same may lead to legal or other proceedings and may result in substantial costs, delays in our development and operation schedule, and the diversion of resources and management’s attention, regardless of the outcome. We may also face scrutiny or investigations from regulatory or statutory authorities in connection with our operations or compliance requirements, which could result in penalties, sanctions, or directions requiring operational changes. Any such regulatory actions, even if not resulting in monetary penalties, may lead to reputational risks and compliance costs.

25. Our insurance policies may not be adequate to cover all losses incurred in our business. Our inability to maintain adequate insurance cover to protect us from material adverse incidents in connection with our business may adversely affect our business, results of operations, financial condition and cash flows.

Our operations are subject to certain hazards such as accidents at work, fire, earthquakes, theft, flood and other force majeure events, acts of terrorism and explosions, including hazards that may cause destruction of property, plant and machinery and inventory. For details of insurance policies maintained by us, see “*Our Business – Insurance*” on page 192. These insurance policies are generally valid for a year and are renewed annually. We cannot assure you that the renewal of our insurance policies in the future will be granted in a timely manner, at acceptable cost or at all. In our experience, the amount of insurance currently maintained by us represents an appropriate level of coverage required to insure our business and operations. The following table sets forth details of our insurance coverage for Fiscals 2025, 2024, and 2023:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Amount of insurance coverage (₹ in million)	1,088.85	1,034.11	735.43
% contribution of insurance coverage to total assets	92.01	107.67	102.13

Our insurance may not be adequate to completely cover any or all our risks and liabilities. There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Our inability to maintain adequate insurance cover in connection with our business could adversely affect our operations and profitability. Kavathe. Our Company made an insurance claim of ₹ 15.27 million in respect of a fire accident at Kavathe Unit in the year 2024 against which an amount of ₹ 13.77 million was settled by the insurance company. We cannot assure you that such instances will not occur in future. To the extent that we suffer loss or damage as a result of events for which we are not insured, or for which we did not obtain or maintain insurance, or which

is not covered by insurance or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. If insurance coverage and/or other legal protections are not available or are not sufficient to cover risks or losses, it could have a material adverse effect on our business, results of operations, financial condition and cash flows.

26. *We face competition from national and local players and our inability to compete effectively may have a material adverse impact on our business, results of operations and financial condition.*

According to the CARE Report, the Indian hydraulic fittings industry is largely dominated by small and medium enterprises (SMEs), with only a few large players. This fragmented structure creates challenges in maintaining standardization and quality consistency across the supply chain. Different suppliers may follow different production practices, leading to variation in performance and reliability of fittings. With presence of several unorganized players (more than 90% of the industry is unorganized), the competitive intensity is high. The switching cost for the end user is estimated to be lower and the manufacturers may not have significant pricing power. (Source: CARE Report).

We face pricing pressures from national, regional and local companies that are able to produce hydraulic fittings, at competitive costs and consequently, may supply their products at cheaper prices. We are unable to assure you that we shall be able to meet the pricing pressures imposed by such competitors which would adversely affect our business, results of operations and financial condition. Additionally, some of our competitors may have greater financial, research and technological resources, larger sales and marketing teams and more established reputations. They may also be in a better position to identify market trends, adapt to changes in the Indian consumer appliance industries, innovate with new products, offer competitive prices due to economies of scale and ensure product quality and compliance. Further, our competitors may enter into contract manufacturing arrangements with our customers for products that they are currently purchasing from us that could result in the loss of such customer or loss of revenue from such customer.

27. *We are exposed to a significant risk from exchange rate fluctuations. If we fail to manage our foreign currency risk, our business, results of operations and financial condition may be materially and adversely affected.*

As a global hydraulic fittings provider, we supply our products outside India. We derived approximately 28.30%, 33.14%, and 34.17% of our revenue from exports for Fiscal 2025, 2024, and 2023, respectively. This global reach exposes us to significant foreign currency risks, particularly in US dollars. We have not suffered any loss due to foreign exchange rate fluctuations in the last three Fiscals, however, we cannot assure you that such losses would not occur in future and not have a material adverse effect on our business, results of operations and financial condition. Details of our gain from foreign exchange are mentioned in the table below, for the periods indicated:

(₹ in million, except percentage)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹)	% of total income	Amount (₹)	% of total income	Amount (₹)	% of total income
Gains/ (Losses) from Foreign Exchange	9.92	0.60%	6.10	0.43%	21.22	1.55%

Fluctuations in exchange rates can significantly impact our revenue and cost of goods sold, leading to variability in our financial performance. As our financial statements are presented in Indian rupees, such fluctuations could have a material impact on our reported results. Further, we do not have any hedging contracts or policies to manage our foreign currency and exchange exposure risk and do not hedge our assets or liabilities against exchange rate movements. Any such losses on account of foreign exchange fluctuations may adversely affect our results of operations. If our strategies to mitigate exchange rate fluctuation risks are not successful, our business, financial condition and results of operations may be adversely impacted. The exchange rate of the Indian rupee has changed substantially in recent times and could fluctuate substantially in the future, which may have a material adverse effect on the value of the Equity Shares and returns from the Equity Shares, independent of our operating results.

28. We have significant dependence on power and fuel for our manufacturing operations and any disruption or shortage of utilities could disrupt our manufacturing operations and increase our production costs, which could adversely affect our results of operations.

We require constant power and fuel for our Manufacturing Facilities. The power and fuel expenses as a percentage of our revenue from operations in the years are as follows:

(₹ in million, except percentage)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	Percentage of Revenue from Operations (%)	Amount	Percentage of Revenue from Operations (%)	Amount	Percentage of Revenue from Operations (%)
Power and fuel expenses	60.85	3.77%	52.45	3.81%	45.30	3.40%

While we have installed solar panels in Shirwal and Kavathe facilities, we continue to rely significantly on conventional electricity and fuel based energy sources. We procure power primarily from the state electricity boards and use Diesel Generator sets (“DG Set”) ranging from 250 KVA to 750 KVA to meet exigencies of Manufacturing Facilities, despite these arrangements, we cannot assure uninterrupted power supply.

In the event of power outages or significant voltage fluctuations, our manufacturing operations may be disrupted, leading to production halts, increased restart costs, and potential loss of in-process materials. Any such disruption could adversely affect our results of operations. Further, in the event of a significant increase in power tariffs or diesel prices, and if we are unable to pass such increased input costs onto our customers, our cost of production and overall profitability may be adversely impacted. Sustained or frequent power supply issues may necessitate additional investments in captive power generation, resulting in incremental capital expenditure. While we have not experienced any material interruptions to our electricity supplies for Fiscals 2025, 2024, and 2023, we cannot assure you that such interruptions would not occur due to any events unforeseen by us and re-imposition of such restrictions may impact operations and profitability of our facilities.

29. We are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, accelerated repayment schedule, enforcement of security and suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.

Some of the financing arrangements entered into by us include conditions that require our Company to obtain respective lenders’ consent prior to carrying out certain activities and entering into certain transactions. As of July 31, 2025, we had total borrowings (consisting of non-current borrowings and current borrowings) of ₹ 340.89 million. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Some of the corporate actions that require prior consents from certain lenders include, amongst others, changes to the (a) capital structure of our Company, (b) Company’s constitution documents including amending the memorandum of association and articles of association of the Company, (c) management set-up of our Company, and (d) formulation of any scheme of expansion, modernisation, diversification, amalgamation or reconstruction, and (e) merger, de-merger, amalgamation, acquisition, buy -back, re-organization and/or disposition of assets of the Company. Failure to comply with these covenants in the future may restrict or delay our ability to undertake certain corporate actions or initiatives. There has been no instance of non-compliance with respect to any of the covenants. However, we cannot assure you that no such non-compliance will occur in future.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents/ waivers, constitute defaults under the relevant financing agreements and will entitle the respective lenders to declare a default against us and enforce remedies under the terms of the financing agreements, that include, among others, acceleration of amounts due under such facilities, enforcement of any security interest created under the financing agreements and taking possession of the assets given as security in respect of the financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. In addition, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. A default by us under the terms of any financing agreement may also trigger a

cross-default under some of our other financing agreements, or any other agreements or instruments of our containing cross-default provisions, which may individually or in aggregate, have an adverse effect on our operations, financial position and credit rating. For further information on our borrowings, see “*Financial Indebtedness*” on page 323.

30. *Apart from our director Satish Kulkarni, none of our other Directors have any prior experience of directorship in listed companies.*

As of the date of this Draft Red Herring Prospectus, our Board comprises of seven Directors, consisting of one Managing Director, one Executive Director, one Non-Executive Director and four Independent Directors, including one Women Independent Director. While all our directors have substantial experience in their respective fields, apart from our Independent Director, Satish Kulkarni, none of our other Directors, have previously served on the board of any company listed on a recognised stock exchange in India. Not having any significant contemporary experience of being a director in any other listed company may present certain potential challenges for our Company. For further details, see “*Our Management*” on page 204.

The absence of prior directorship experience in listed companies may pose certain transitional challenges in adapting to the enhanced corporate governance framework and heightened regulatory and disclosure obligations applicable to listed entities under the SEBI Listing Regulations, the Companies Act, 2013, and other applicable laws. As a result, the Board of Directors may have to provide increased attention to such procedures and their attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner. For further details on our Board of Directors, see “*Our Management*” on page 204.

31. *Information relating to the installed capacity, actual production and capacity utilization of our Manufacturing Facilities included in this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary.*

Information relating to the installed capacity, actual production and capacity utilization of our Manufacturing Facilities included in this Draft Red Herring Prospectus are based on various assumptions and estimates of our management that have been taken into account by Nandkishor P. Kalekar, an independent chartered engineer, in his certificate dated September 3, 2025 in the calculation of the installed capacity, actual production and capacity utilization of our manufacturing facilities and such calculations may not be computed on the basis of, or in accordance with, any standard methodology and may not be comparable to that employed by our competitors.

These assumptions and estimates include the period during which our manufacturing facilities operated in a year or period, the number of machine-working hours per day, working shifts and availability of machines. Actual production levels and future capacity utilization rates may vary from the estimated production capacities of our operational manufacturing facilities and its historical capacity utilization rates. For further details of installed capacity and capacity utilization, see the section titled “*Our Business – Installed capacity and capacity utilization*” on page 188 of this DRHP.

Further, there is no guarantee that our future production or capacity utilization levels will match or exceed our historical levels. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term could increase our cost of production and our operating costs and adversely impact our business, growth prospects and future financial performance. Our expected return on capital invested is subject to, among other factors, the ability to ensure satisfactory performance of personnel to further grow our business, our ability to absorb additional infrastructure costs and utilize the expanded capacities as anticipated. In case of oversupply in the industry or lack of demand, we may not be able to utilize our capacity efficiently.

32. *There have been certain delay in payment of statutory dues by our Company in the past. Any delay in payment of statutory dues by our Company in future, may result in the imposition of penalties and in turn may have as adverse effect on our Company’s business, financial condition, results of operation and cash flows.*

Our Company is required to pay certain statutory dues including provident fund contributions and employee state insurance contributions under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952

and the Employees' State Insurance Act, 1948, respectively, and professional taxes. The table below sets forth the details of the delays in statutory dues payable by our Company for the periods indicated below:

Particulars	FY 2024-25		FY 2023-24		FY 2022-23	
	Number of Instances	Amount delayed (₹ in million)	Number of Instances	Amount delayed (₹ in million)	Number of Instances	Amount delayed (₹ in million)
The Employees Provident Fund and Miscellaneous Provision Act, 1952	0	0.00	3	0.05	7	0.06
Employee State Insurance Act, 1948	1	0.01	3	0.04	7	0.03
Professional Taxes	4	0.04	8	0.04	15	0.04
Income Tax Act, 1961 (TDS other than Salary)	1	0.01	4	0.02	20	0.52
Income Tax Act, 1961 (TDS on Salary)	1	0.03	0	0.00	3	0.86
Income Tax Act, 1961 (TCS)	4	0.03	0	0.00	0	0.00
Total	11	0.12	18	0.14	52	1.51

In the past, there have been instances of delays in the remittance towards the payment of these statutory dues including employee provident fund contributions. While we have addressed these issues, we cannot guarantee that similar delays or delays in payment of other statutory dues will not occur in the future. Such delays could result in penalties, interest charges, or other legal actions by the relevant authorities, which could adversely impact our financial performance and reputation.

33. *There can be no assurance that the objects of the Offer will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.*

We propose to utilize a portion of the Net Proceeds towards funding purchase of machinery and equipment, Repayment of loans and General corporate purpose. For further details, see “*Objects of the Offer*” on page 105. Our Board will have flexibility in temporarily investing the Net Proceeds as well as its inter-se allocation across various heads, as disclosed in the section titled “*Objects of the Offer*” on page 105. Further, the plans for deployment of the Net Proceeds are in accordance with our management’s estimates and have not been appraised by any bank, financial institution or any other external agency. Our Company may have to revise the management estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment, and interest or exchange rate fluctuations and consequently its requirements may change. In addition to above, given the dynamic nature of our business and the industry in which we propose to venture, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling the schedule of deployment at the discretion of our management. While our Company may revise the plans and schedule for deployment of the Net Proceeds, however the management of our Company shall not have the power to alter the objects of this Offer except with the approval of the Shareholders of the Company given by way of a special resolution in a general meeting, in the manner specified in Section 27 of the Companies Act, 2013. Additionally, the dissenting shareholders being those shareholders who have not agreed to the proposal to vary the objects of this Offer, our Promoters shall provide them with an opportunity to exit at such price, and in such manner and conditions as may be specified by the SEBI, in respect to the same.

In case of any shortfall of the proceeds raised from this Offer, there can be no assurance that we will be able to raise the funds through other sources to meet our obligations of meeting equity contribution towards the objects of the offer. In case of shortfall in the proceeds of this Offer which are to be utilized for meeting the objects of the Offer, the shortfall will be met by such means as are available to our Company at such future time and at the discretion of the management, including by way of cash available with us or by any other means permissible under law. We cannot assure that we will be able to arrange for adequate cash or will be able to procure further loans to meet the funding requirements. Any failure to meet the additional funding requirements will have a material adverse effect on the implementation of the objects of the Offer. We may also be required to adhere to certain restrictive covenants as regards raising of finance for the units from means other than those sanctioned under our present financing documents. Any failure or delay on our part to raise funds from the Offer or any shortfall in the Offer proceeds and subsequent inability of our Company

to source alternate means of finance may delay the implementation of our project and could adversely affect our growth plans

34. Any disruption or failure of our technology systems may adversely affect our business and operations. Additionally, challenges in implementation of new technologies for our operations could be significant.

Our business is significantly dependent on the efficient and uninterrupted operation of our technology infrastructure and systems. We leverage our technology infrastructure to maintain our inventory levels and track our production levels, stock and financial data. For instance, we have implemented the ERP software that integrates different functions, ensuring smooth and effective management of resources, production schedules, and stock levels for financial management, that ensures accurate financial record-keeping, invoicing, and reporting. For further details, see “*Our Business - Information Technology*” on page 190.

If we do not allocate and effectively manage the resources necessary to implement and sustain the proper IT infrastructure or tackle instances of employee misconduct and / or frauds, we could be subject to mapping errors and inefficiencies in oversight. Our technology infrastructure is vulnerable to interruption by events beyond our control such as fire, earthquake, power loss, telecommunications or internet failures, terrorist attacks and computer viruses. We may also be subject to hacking or other attacks on our IT systems and we cannot assure you that we will be able to successfully block or prevent all such attacks. Any breaches of our IT systems may require us to incur further expenditure on repairs or more advanced security systems. A significant system failure could adversely affect our ability to manage overall operations, thereby adversely affecting our ability to deliver our services to our customers, our reputation and our revenues. If such interruption is prolonged, our business, results of operations and financial condition may be materially and adversely affected. We cannot assure you that our IT systems’ service providers will continue to co-operate with us and we will be able to maintain similar relationship with them in the future. In case we decide to change our IT systems’ service providers, our services to our customers may get affected.

Any significant upgrade to or replacement of our systems could require considerable capital expenditure, which could adversely affect our financial condition. Implementation of technology enhancements also entail risks such as administrative delays and failure to effectively train our personnel to operate new, emerging technologies. In addition, technological advances from time to time may result in our systems, methods or processing facilities becoming obsolete or performing less efficiently compared to newer and better technologies and processes in the future. Certain of our competitors may have access to similar or superior technology or may have better adapted themselves to technological changes. Moreover, we may be unable to anticipate, understand and address the preferences of our existing and prospective customers or to understand evolving industry trends. Our competitors may succeed in developing and offering products that are more effective and cheaper, which may render our products obsolete or uncompetitive. Any of these risks may place us at a competitive disadvantage, limit our growth opportunities and adversely affect our business, results of operations, cash flows and financial condition.

35. We depend on third party logistic providers for transport of our products. Any disruption, accident or delay in transportation, by such logistic providers may hamper our supply chain and impact our financial performance.

We are dependent on third party logistic providers for the delivery of our products. These service providers are typically engaged on a work order or spot basis Any cost incurred on account of delays/failures caused by such third-party logistic providers could have an adverse impact on our business, results of operations, financial condition and cash flows. The freight and cartage charges as a percentage of total expenses for Fiscal 2025, 2024, and 2023 are as follows:

(figures in million, except percentage)

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount	%	Amount	%	Amount	%
Transport charges	18.17	1.29%	14.85	1.18%	11.00	0.98%

We do not have formal contractual relationship and direct control over the day-to-day activities of our third-party logistics and service providers and we rely on them to perform their services in accordance with the relevant arrangements. Further, the performance of our third-party logistics and service providers may not meet our terms and conditions or performance parameters, which could result in disruption of our supply chain. While such arrangements are typically subject to renewal pursuant to mutual consent, we cannot

assure you that such arrangements will continue to be successful or be renewed, on terms that are commercially favorable to us, or at all.

Further, raw materials and finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be a delay in delivery of raw materials and products which may also affect our business and results of operations negatively. A failure to maintain a continuous supply of raw materials or to deliver our products to our customers in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations. Transportation strikes, if any, could have an adverse effect on supplies and deliveries to and from our distributors and suppliers.

Further, our third-party logistics and service providers may not carry adequate insurance coverage and therefore, any losses that may arise during the transportation process may have to be borne by us. We may be unable to recover our losses from a defaulting third-party logistics and service provider in such a situation, especially if we have not obtained appropriate indemnities from the third-party logistics and service provider or if the third-party logistics and service provider becomes insolvent. We cannot assure you that we will receive compensation for any such additional costs borne by us in a timely manner, or at all.

While there has been no instance of any material supply disruption in the last three Fiscals on account of the services provided by our third-party logistics and service providers, any such interruption could adversely affect our business, results of operations, cash flows and financial condition.

36. Certain sections of this Draft Red Herring Prospectus disclose information from the CARE Report which has been prepared exclusively for the Offer and commissioned by our Company and paid for by our Company exclusively in connection with the Offer, and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.

Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the CARE Report or extracts of the CARE Report prepared by CARE Analytics and Advisory Private Limited (“CARE”), which is not related to our Company, Subsidiaries, Directors, Promoters, KMPs, SMPs or the Book Running Lead Manager. We commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. A copy of the CARE Report is available on the website of our Company at <https://www.hytechgroup.com/ipo-documents.php>, in compliance with applicable laws. All such information in this Draft Red Herring Prospectus indicates the CARE Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the CARE Report should be read taking into consideration the foregoing.

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, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. Further, the CARE Report is not a recommendation to invest / disinvest in any company covered in the CARE Report. Accordingly, you should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the CARE Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the CARE Report before making any investment decision regarding the Offer. See “*Industry Overview*” on page 137.

37. The objects of the Offer for which funds have been raised and proposed deployment of the Net Proceeds of the Offer have not been appraised by a bank or a financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled “Objects of the Offer”. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings. Further, if there are any delays or cost overruns, our business, financial condition and results of operations may be adversely affected.

We intend to utilise the Net Proceeds of the Offer as set forth in “*Objects of the Offer*” on page 105. The funding requirements mentioned for the objects of the Offer are purely based on internal management estimates and have not been appraised by any bank or financial institution. They are based on current

conditions and are subject to change in external circumstances such as financial and market conditions, business and strategy, competition, negotiation with suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the equipment due to variation in prices which may not be within the control of our management. Our actual expenditure may exceed our internal estimates which may have a bearing on our expected revenues and earnings further requiring us to reschedule our planned expenditure. Further, the deployment of the funds towards the Objects of the Offer is entirely at the discretion of our management. The exact amounts that shall be utilised from the Net Proceeds towards the stated Objects shall depend upon our business plans, market conditions, our Board's analysis of economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital. Further, if there are any delays or cost overruns, our business, financial condition and results of operations may be adversely affected. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. We may also use funds for future businesses which may have risks different from what we currently face or may expect. Accordingly, use of the Net Proceeds for purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business.

We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, and other financial and operational factors. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and the results of operations. For further details, see "*Objects of the Offer*" beginning on page 105.

38. *Our failure to maintain optimum inventory levels could adversely affect our business, financial condition, results of operation and cash flow.*

Our products are offered at various price points and the pricing risk is suitably mitigated as majority of our sales are directly to our customers. Our sales and marketing team takes into consideration various factors such as consistency, landing costs and discounts, and applicable taxes to arrive at the list price of our offerings. Most of the production that we entail is carried by us after the receipt of the order at a pre agreed price and hence, as a result we are able to maintain the margins and work on a converter model and are largely immune to commodity price fluctuations. Our future earnings through the sale and distribution of our products may not be realized as forecasted, due to cancellations or modifications of firm orders or our failure to accurately prepare demand forecasts. If we are unable to appropriately estimate the demand for our products for any reason, it could result in excess inventory levels or the unavailability of our products during increased demand, resulting in loss in potential sales.

Our ability to accurately forecast customer demand for our products is affected by various factors, including:

- a substantial increase or decrease in the demand for our products or for similar offerings of our competitors
- changes in customer requirements
- aggressive pricing strategies employed by our competitors
- failure to accurately forecast or changes in customer acceptance of our products
- limited historical demand and sales data for our products in newer markets fluctuations in foreign currencies
- weakening of general economic conditions or customer confidence that could reduce the sale of our products.

We maintain inventories of raw materials, work in progress and finished goods based on the existing and forecasted demand. However, if we are unable to accurately forecast such demand, we may accumulate excess inventory or face shortages. Excess inventory could lead to inventory write-downs or write-offs or require us to sell at discounted prices, adversely affecting our gross margins, financial performance, and brand positioning. Conversely, inadequate inventory during periods of increased demand may result in delayed deliveries, lost sales, and potential damage to customer relationships and reputation.

Our ability to accurately forecast demand is influenced by factors such as:

- significant shifts in customer preferences or demand,
- changes in customer specifications or ordering patterns,
- aggressive pricing strategies adopted by competitors,
- limited historical sales data in newer markets,
- general economic slowdown affecting customer purchasing power, and
- volatility in commodity or foreign exchange rates.

We usually keep 60-90 days of inventory of raw materials, work-in-progress and finished goods at our facilities. Our number of inventory days with respect to any period is defined as the average inventory divided by net sales multiplied by the number of days in the period (i.e. 365 days for fiscal years). The table below provides the details of our inventory for the Fiscals 2025, 2024, and 2023:

(₹ in million, except percentage)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Inventories (A)	267.12	210.19	232.62
Net Sales (B)	1552.42	1320.77	1273.42
Inventory (in days) (A)/(B)*365	63	58	67
Current Assets	967.64	691.97	766.47
Inventory as a percentage of our current assets	27.61%	30.38%	30.35%

Additionally, while a majority of our sales are made against confirmed orders at pre-agreed prices, which partially insulates us from commodity price fluctuations and contributes to a converter-based business model, we cannot assure you that such pricing discipline or margin protection will be sustainable across market cycles. Failure to manage our inventory levels in alignment with actual and forecasted demand could materially and adversely affect our operations, liquidity, and competitive position.

39. Our Promoter has extended personal guarantee in connection with some of our debt facilities granted to our Company. There can be no assurance that such personal guarantee will be continued to be provided by our Promoters in future or can be called at any time, affecting the financial arrangements.

Our Promoters and Directors, Hemant Tukaram Mondkar and Surekha Hemant Mondkar have provided personal guarantees for the loans availed by our Company from various lenders. For details, see “History and Certain Corporate Matters” on page 199 and “Financial Indebtedness” on page 286 of this Draft Red Herring Prospectus. In the event any of these guarantees are revoked or the properties provided as collateral security are withdrawn, our lenders may require us to furnish alternate guarantees or an additional security or may demand a repayment of the outstanding amounts under the said facilities sanctioned or may even terminate the facilities sanctioned to us. There can be no assurance that our Company will be able to arrange such alternative guarantees or provide an alternate collateral security in a timely manner or at all. Additionally, the invocation of personal guarantees by lenders may adversely impact the personal net worth and credit profile of our Promoters, which may in turn affect their ability or willingness to support the Company in future fund-raising initiatives or corporate actions requiring promoter-backed obligations.

If our lenders enforce these restrictive covenants or exercise their options under the relevant debt financing agreements, our operations and use of assets may be significantly hampered, and lenders may demand the payment of the entire outstanding amount and this in turn may also affect our further borrowing abilities thereby adversely affecting our business and operations.

40. Our Promoter Group member, Hy-Tech USA Inc. is engaged in a line of business similar to ours. Any conflict of interest which may occur as a result could adversely affect our business, prospects, results of operations and financial condition.

Our Promoter Group member, Hy-Tech USA Inc. is engaged in the business of distribution of hydraulic fittings in the North American region where we also have direct customers Hy-Tech USA Inc. may provide comparable services, expand its presence, solicit our employees or acquire interests in competing ventures in the locations or verticals in which we operate. For the Fiscal 2025, 2024 and 2023 the revenue generated from sales made to Hy-Tech USA Inc. amounting to 49.10 million, 54.38 million, and 76.29 million, representing 3.04%, 3.95%, and 5.73% of our revenue from operations.

There can be no assurance that our Promoter / Promoter Group including Hy-Tech USA Inc. will not compete with our existing business or any future business that we may undertake or that their interests will not conflict

with ours. While we intend to adopt internal governance mechanisms and appropriate conflict management procedures to mitigate any adverse impact, the efficacy of such measures will depend on timely disclosure, monitoring, and implementation, and there can be no assurance that any actual or perceived conflict will be effectively resolved or avoided in the future.

In the event such conflict materialises, our customers or business partners may favour entities affiliated with our Promoter Group, or we may lose certain commercial opportunities. Any such outcome could adversely affect our business, financial condition, results of operations, and cash flows.

41. We operate in a competitive and fragmented industry with low barriers to entry and may be unable to compete with a range of unorganized sector.

In the dynamic landscape of the hydraulic fittings business, one of the formidable challenges arises from competition in the unorganized sector. We operate in the manufacturing of hydraulic fittings utilized in the various industry which is competitive and fragmented, and we compete with a range of unorganized players, at the national and regional level. Further, while we have an expanding portfolio of products, our competitors may have the advantage of focusing on concentrated products. Further, we compete against established players also, which may have greater access to financial, technical and marketing resources and expertise available to them than us in the products and services in which we compete against them. Further, industry consolidation may affect competition by creating larger, more homogeneous and potentially stronger competitors in the markets in which we compete. Our competitors may further affect our business by entering into exclusive arrangements with our existing or potential customers. There can be no assurance that we will be able to compete successfully against employees, associates or customer to such competitors. Additionally, our ability to compete depends in part on factors outside our control, such as the availability of skilled resources, pricing pressures in the hydraulic fittings industry and the extent of our competitors' responsiveness to their customer's needs. Our continued success depends on our ability to compete effectively against our existing and future competitors. With the potential entry of new competitors, given the low entry barriers in the industry where we operate, our ability to retain our existing customers and to attract new customers is critical to our continued success. As a result, there can be no assurance that we will not encounter increased competition in the future nor can there be any assurance that we will, in light of competitive pressures, be able to effectively compete with our competition in the various product and service segments we operate in, whether on the basis of pricing, quality or range of services or otherwise, which could have material adverse effect on our business, results of operations and financial condition.

42. Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances. A significant disruption at any of our production units may adversely affect our production schedules, costs, revenue and ability to meet customer demand

The activities carried out at our manufacturing facilities involve inherent risks, including potential hazards to the health and safety of our employees and contract labour. While we maintain a safe and healthy working environment which is compliant with applicable occupational health and safety management system and environmental management system regulations, the possibility of accidents, such as equipment malfunctions, chemical exposure, or fire, cannot be entirely eliminated. An accident at any of our facilities may result in personal injury to our employees, or the labour deployed at our manufacturing facilities, damage to property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/or imposition of liabilities. During the last three Fiscals, there have been no instances where we have encountered any fatalities or any employee injuries, except the instance of fire breaking out at one of our Kavathe Unit in November 2024. Any such future incident(s) may result in legal proceedings or regulatory investigations, the outcome of which may not be predictable or covered fully by insurance. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, results of operations, financial condition, cash flows and future prospects.

Our operations are subject to operating risks associated with manufacturing, including related to handling and storage of raw materials used in our manufacturing processes. Despite compliance with requisite safety requirements and standards, our operations are subject to significant hazards, including:

- fires;
- mechanical failures and other operational problems
- inclement weather and natural disasters.

The occurrence of any of these hazards could result in a suspension of operations and the imposition of civil or criminal liabilities. We may also face claims and litigation filed on behalf of persons alleging injury predominantly as a result of occupational exposure to hazards at our manufacturing facilities.

Further, any regulatory non-compliance following such incidents may also lead to sanctions, suspension of manufacturing licenses, or revocation of certain approvals required for operations, adversely impacting our ability to meet customer obligations.

- 43. *Our business may be impacted by disruptions, shifting customer preferences, and cost-related factors within the industries we serve. Our profitability, business and commercial success is significantly dependent on our ability to anticipate evolving industry trends and customer requirements and utilize our resources to enhance and develop our products that efficiently satisfy and meet our customer's specific requirements in a timely manner. Any failure on our part to do so, may have an impact on the reputation of our products, which could have an adverse effect on our revenue, reputation, financial conditions, results of operations and cash flows.***

The markets in which we and our customers operate is characterized by changing technology, evolving industry standards and demands for features, and continual product innovation. These conditions may also result in significant competition. If the end-user demand is low for our customers' products, there may be significant changes in the orders from our customers and we may experience greater pricing pressures. Therefore, risks that could harm the industry of our customers could, as a result, adversely affect us as well. Our success is therefore dependent on the success achieved by our customers in developing and marketing their products. If our customers' technologies become obsolete or fail to gain widespread commercial acceptance, our customers may experience a reduced demand for their products which may affect our sales to such customers, operating margins depending on the nature of the product, and all of these combined may gradually result in a loss of customers including key ones. However, there can be uncertainty regarding the development and production of these products as planned and failure to anticipate or respond rapidly to advances in technology can have a material adverse effect on our business, results of operations, financial condition and cash flows. Additionally, industry-wide competition for market share of various products can result in aggressive pricing practices by our customers and therefore our customers may also choose to import some of these products which provide them better cost benefits as compared to us or source the products from our competitors. The price-pressure from our customers may adversely affect the prices of the products which we supply, which may lead to reduced revenues, lower profit margins or loss of market share etc., any of which would have a material adverse effect on our business, results of operations, financial condition and cash flows.

Additional risks that could significantly harm our customers as well as us, include:

- a) action undertaken by the government to tax our business, or that of our customers
- b) recession in countries in which our key customers operate their businesses
- c) slowdown and reduced spending in the industries in which our customers operate
- d) our customers' inability to effectively manage their operations
- e) a change in their management which may results in us not being a preferred supplier to them
- f) changes in laws affecting our customers to operate profitably

In relation to other end-use industries, the demand for our products and margin of our products is dependent on and directly affected by factors affecting such industries. Accordingly, our failure to effectively adapt to such endues industry related disruptions, could adversely affect our business, results of operations and financial condition. As a result, we must continually modify and improve our products in response to changes in our customers' requirements or end-user preferences.

- 44. *If we are unable to maintain and enhance our brand, including our ability to protect our brand through intellectual property, the sales of our products will suffer, which would have a material adverse effect on our results of operations.***

We believe that our brand plays a significant role in the success of our business and sustaining customer loyalty. The ability to differentiate our products from that of our competitors is an important factor in attracting customers. As of the date of this Draft Red Herring Prospectus, our Company has one registered trademark which are currently used by us. For details, see "Our Business – Intellectual Property" on page 192. The laws governing intellectual property rights in India are evolving and enforcement mechanisms remain inconsistent which could involve substantial legal and operational risks to us. Failure to register new

intellectual property rights or renew the registration of any of our registered intellectual properties may affect our right to use such intellectual properties in future or allow others to use our products and designs as available in the public domain, without our consent. This may lead to misappropriation of our goodwill or dilution of our brand value. If we are unable to register our trademarks or other intellectual property for any reason, including our inability to remove objections or resolve opposition proceedings, or if any of our unregistered marks are registered or used by a third party in India or other jurisdictions, we may not be able to enforce ownership rights and may be unable to seek remedies for infringement. Our trademark protection is currently limited to India. We may not be able to effectively protect or enforce our intellectual property rights in jurisdictions outside India, particularly where we export our products or propose to expand. This could restrict our ability to prevent unauthorized use of our brand and dilute our global brand recognition.

While we take care to ensure that we comply with the intellectual property rights of others, we may be susceptible to claims from third parties asserting infringement and other related claims. If claims or actions are adjudicated against us from third parties asserting infringement and other related claims in India and abroad, we may be required to obtain a license, modify our existing product offerings or cease the use of such trademarks and design, or use a new non-infringing trademark. Such modifications or settlements could involve significant cost and time, and may not be commercially viable. Further, necessary licenses may not be available to us on acceptable terms, if at all. In addition, we may decide to settle a claim or action against us, the settlement of which could be costly and time consuming. We may also be liable for any past infringement. Any of the foregoing could adversely affect our business, financial condition, results of operations and cash flows.

45. *We will not receive any proceeds from the Offer for Sale. The Promoter Selling Shareholders will receive the Net Proceeds from the Offer for Sale.*

The Offer consists of a Fresh Issue and an Offer for Sale by the Promoter Selling Shareholders. The Promoter Selling Shareholders shall be entitled to the Net proceeds from the Offer for Sale, which comprise proceeds from the Offer for Sale net of their proportionate share of Offer expenses. Our Company will not receive any proceeds from the Offer for Sale and accordingly, such proceeds will not be available for any business purpose or growth-related initiatives of the Company.

Investors should note that only the Fresh Issue component of the Offer is intended to raise capital for the Company, and such funds will be deployed as described in the section titled “*Objects of the Offer*” on page 105 of this Draft Red Herring Prospectus.

46. *If we fail to effectively implement our production schedules, our business and results of operations may be materially and adversely affected*

Our success depends in part on our ability to meet the production schedules and requirements of our customers according to their detailed specifications and delivery time frames which are, at times, demanding and complex. In particular, some of our customers who tend to require large volumes of our manufactured products, as well as customised product, within a limited amount of time. Our ability to meet these demands depends in part on our ability to rapidly ramp up production and commence large-scale production of technically complex products within short time frames.

While we have not faced any material instance of production delays or supply shortfalls in the past three Fiscals, there can be no assurance that we will continue to do so in future. Any inability to enhance production capacity, implement production plans effectively, or address sudden spikes in demand may adversely impact our ability to deliver as per customer expectations.

Further, any prolonged or unanticipated disruption to our production operations due to equipment failure, manpower shortages, or supply chain constraints may affect our ability to meet delivery timelines, which could result in cancellation of orders, reputational harm, and loss of business.

47. *The information included in this Draft Red Herring Prospectus in relation to our listed peers may not be comparable and it may be difficult to benchmark and evaluate our financial performance against other operators who operate in the same industry as us.*

While our listed peers (Aeroflex Industries Limited, Micron Specma (India) Private Limited, Mercury Fittings Private Limited, Dynamatic Technologies Limited and Yuken India Limited) may have similar product offerings in hydraulic fittings, our business may be different in terms of scale, business models, product

verticals or focus areas or geographical presence. Therefore, investors must rely on their own examination of our accounting ratios, non-GAAP measures and key performance indicators relating to our financial and operating performance for the purposes of investment in this Offer. We cannot assure you that our non-GAAP measures, key performance indicators and accounting ratios will improve in the future. An inability to improve or maintain our non-GAAP measures, key performance indicators and accounting ratios may adversely affect the market price of the Equity Shares. Moreover, there are no standard methodologies in the industry for the calculation of such indicators, measures and metrics. For further details, see “*Basis of Offer Price*” on page 121. Our competitive position may differ from that presented in this Draft Red Herring Prospectus and any valuation exercise undertaken for the purposes of the Offer by our Company, in consultation with the BRLM, and may not be based on a benchmark with our listed industry peers. The relevant parameters based on which the Price Band would be determined, shall be disclosed in the advertisement that would be issued for publication of the Price Band. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by us or our competitors of significant acquisitions, strategic alliances, other external conditions or situations, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

48. *We have in this Draft Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance that may vary from any standard methodology that is applicable across the industry we operate.*

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance, such as, EBIT, EBITDA, EBITDA Margin, Other Operating Expenses, Capital Employed, Return on Capital Employed, Return on Equity, Debt to Equity, PAT Margin, CAGR Return on Equity, Return on Assets and Debt to Equity Ratio (“Non-GAAP Measures”) have been included in this Draft Red Herring Prospectus. Such Non-GAAP Measures are supplemental measures of our performance and liquidity is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. We compute and disclose such Non-GAAP Measures and such other industry related statistical and operational information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of similar businesses, many of which provide such Non-GAAP Measures and other industry related statistical and operational information. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. These Non-GAAP Measures and such other industry related statistical and operational information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial and operational measures, and industry related statistical information of similar nomenclature that may be computed and presented by other similar companies. In addition, these Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure.

Further, we track certain operating metrics with our internal systems and tools. Our methodologies for tracking these metrics may change over time, which could result in changes to our metrics in the future, including to metrics that we publicly disclose. If our internal systems and tools track our metrics inaccurately in the future, the corresponding data may be inaccurate. This may impair our understanding and evaluation of certain aspects of our business, which could affect our operations and long-term strategies.

Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our Restated Consolidated Financial Information disclosed elsewhere in this Draft Red Herring Prospectus. For further information, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures*” on page 288.

49. *Accidents and natural disasters could result in the slowdown or stoppage of our business and could also cause us to incur liabilities arising from human fatalities and damage to property.*

Our machines and operations at our Manufacturing Facilities, and our stock stored at our stockyards are subject to hazards inherent to our operations. Risks related to work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe loss or damage to property and environment may be present on our premises. For instance, in November 2024 there has been an instance of fire at one of our Manufacturing Facilities in Kavathe Unit, wherein a fire broke out and the plating section was damaged. Subsequent to such incident, our Company had applied for a claim of ₹15.27 million against the insurance availed for securing the manufacturing facility against which an amount of ₹ 13.77 million was settled by the insurance company. Occurrence of any such events could affect our business, reputation, financial condition or results of operations. Further, natural disasters or severe weather conditions, including earthquakes, fires, heavy rains, flooding etc. could adversely affect our business operations.

While our facilities are generally insured, there can be no assurance that insurance proceeds, if and when received, would be adequate to cover the full extent of losses incurred, or that insurance coverage will be available or renewed on commercially acceptable terms in the future.

50. *Fraud or misconduct by our employees could adversely affect our reputation, business, results of operations and financial condition.*

Our business is susceptible to acts of fraud committed by our employees. Fraudulent and unauthorized conduct by our employees could also include binding us to transactions that exceed authorized limits or present unacceptable risks or concealing unauthorized or unlawful activities from us. Employee's misconduct could also involve inter alia misappropriation of funds, cheating our customers, which could result in regulatory sanctions and serious reputational or financial harm. It is not always possible to deter fraud or misconduct by employees and the precautions we take and the systems we have put in place to prevent and deter such activities may not be effective in all cases. In the past, there have not been any material instances of fraud, cheating and misappropriation. Any instances of such fraud or misconduct could adversely affect our reputation, business, results of operations and financial condition.

51. *Our future fund requirements, in the form of further issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the Shareholders depending upon the terms on which they are eventually raised.*

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares of face value of ₹5 each or convertible securities would dilute the shareholding of the existing Shareholders, and such issuance may be done on terms and conditions, which may not be favorable to the then existing Shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows for reinvestment in the business. Moreover, there is no assurance that we will be able to raise additional capital on favorable terms, or at all, and any failure to do so may adversely affect our growth strategy, financial condition, and operational flexibility.

52. *Our ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.*

Our Company has declared and paid dividends in the past. However, any future declaration of dividends will depend on various factors, including but not limited to, our future earnings, cash flows, financial condition, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that we will continue to declare dividends or that we will be able to do so at levels consistent with the past. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. Additionally, in the future, we may be restricted by the terms of our financing agreements in making dividend payments unless otherwise agreed with our lenders. For details, see "Dividend Policy" on page 226.

EXTERNAL RISK FACTORS

53. *Changing laws, rules and regulations and legal uncertainties in the jurisdictions in which we operate, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.*

The regulatory and policy environment in the countries in which we operate is evolving and is subject to change. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws and laws governing our business and operations may require us to apply for additional approvals.

Further, amendments to tax laws or changes in interpretation may affect our tax benefits, including in respect of deductions that we have claimed to our taxable income. We cannot predict whether any amendments or changes in interpretation would have an adverse effect on our business, financial condition, and results of operations. Furthermore, changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance. For further discussion on capital gains tax, see “Risk Factor 65 - *Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on our Equity Shares.*” on page 69.

Further, for the purposes of undertaking acquisitions or making investments, we comply with relevant laws and obtain applicable approvals. However, in relation to our acquisitions or investments, there can be no assurance that we will not be exposed to new or increased regulatory oversight and uncertain or evolving regulatory or legal compliances. For details in relation to our historic acquisitions, see “*History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations or any revaluation of assets, since its incorporation*” on page 201.

We cannot predict the impact of any changes in or interpretations of existing, or the promulgation of, new laws, rules and regulations applicable to us and our business. Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations could result in us, our business, operations or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and expend resources relating to compliance with such new requirements, which may also require significant management time, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

54. *Financial instability in other countries may cause increased volatility in Indian financial markets.*

The Indian market and the Indian economy may be influenced by economic and market conditions in other countries, including conditions in the United States, Europe and emerging economies in Asia, where we have our operations. Increased economic volatility and trade restrictions could result in increased volatility in the markets for certain securities and commodities and may cause inflation. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Recently, the currencies of a few Asian countries including India suffered depreciation against the US Dollar owing to amongst other things, a rise in interest rates in the United States.

The foregoing events, or the perception that any of them could occur, have had and may continue to have an adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of market participants to operate in certain financial markets or restrict our access to capital. This could have an adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

55. *If there is any change in laws or regulations, including taxation laws, or their interpretation, such changes may significantly affect us.*

Any change in Indian tax laws could have an effect on our operations. For instance, the Taxation Laws (Amendment) Act, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favor of a concessional tax regime (subject to no other special benefits or exemptions being claimed), which would ultimately reduce the tax rate (on gross basis) for Indian companies from 30.00% to 22.00% (exclusive of applicable health and education cess and surcharge). Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. Any adverse order passed by the appellate authorities or tribunals or courts would have an effect on our profitability.

The Finance Act, 2020 (“**Finance Act**”), has, amongst other things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime. For instance, dividend distribution tax (“**DDT**”) will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and are likely to be subject to tax deduction at source. Similarly, the Government of India has notified the Finance Act, 2024, which has introduced various amendments to the Income Tax Act. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

In addition, we are subject to tax related inquiries and claims. We may be particularly affected by claims from tax authorities on account of income tax assessment, service tax and GST that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017, and all subsequent changes and amendments thereto.

The Government of India has also enacted the Digital Personal Data Protection Act, 2023 (“**Data Protection Act**”) on personal data protection for implementing organizational and technical measures in processing personal data and lays down norms for cross-border transfer of personal data including ensuring the accountability of entities processing personal data. The Data Protection Act requires companies that collect and deal with high volumes of personal data to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and a data auditor to evaluate compliance with the Data Protection Act. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects.

The Government of India has recently announced the Union Budget for Fiscal 2025 (“**Budget**”). Pursuant to the Budget, the Finance Act, 2024, inter alia, has amended the capital gains tax rates and amounts, with effect from the date of announcement of the Budget. We have not fully determined the impact of these recent laws and regulations on our business. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. We cannot predict whether any amendments made pursuant to the Finance Bill, 2024 would have an adverse effect on our business, results of operations and financial condition.

We cannot predict whether any new tax laws or regulations impacting our services will be enacted, the likely nature and impact of the specific terms of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business.

56. *We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business and activities.*

The Competition Act prohibits any anti-competition agreement or arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India. Any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of

consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition.

The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India (“CCI”). Any breach of the provisions of Competition Act, may attract substantial monetary penalties. With effect from April 11, 2023, the GoI has enacted the Competition (Amendment) Act, 2023 (“**Competition Amendment Act**”). Pursuant to the Competition Amendment Act, several amendments have been made to the Competition Act, including introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a “combination”, expedited merger review timelines, codification of the lowest standard of “control” and enhanced penalties for providing false information or a failure to provide material information. Additionally, the Competition Commission of India (Lesser Penalty) Regulations, 2024 were also notified on February 20, 2024. Subsequently, the Competition Commission of India, on March 06, 2024, notified the: (i) CCI (Commitment) Regulations, 2024; (ii) CCI (Settlement) Regulations, 2024; and (iii) CCI (Determination of Turnover or Income) Regulations, 2024. With effect from September 19, 2024, the Ministry of Corporate Affairs has issued Notification No. S.O.4031(E) announcing that clause (f) of section 19 of the Competition Amendment Act has come into effect, which amends Section 26 of the Competition Act by addition of sub-section (9) that allows CCI to either close an investigation or pass an order under Section 27 upon completing its inquiry, provided that, prior to issuance of the final order, the CCI issues a show cause notice to the parties concerned detailing the allegations against such parties.

The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. We are not currently party to any outstanding proceedings, nor have we ever received any notice in relation to non-compliance with the Competition Act. The applicability or interpretation of the Competition Act to any merger, amalgamation or acquisition proposed by us, or any enforcement proceedings initiated by the CCI in future, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI may affect our business, financial condition and results of operations.

57. *Any downgrading of India’s debt ratings by a domestic or an international rating agency could adversely affect our business.*

Our borrowing costs and access to the debt capital markets depend significantly on the credit ratings of India. India’s sovereign rating decreased from Baa2 with a negative outlook to Baa3 with a stable outlook by Moody’s in October 2021 which was reaffirmed in August 2023 and from BBB with a stable outlook to BBB- with a stable outlook by Fitch in June 2022 which was reaffirmed in January 2024. Any further adverse revisions to such credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of the credit ratings of India may occur, for example, upon a change of government tax or fiscal policy, which are outside of our control. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business, cash flows, financial performance and the price of the Equity Shares.

58. *Significant differences exist between Ind AS, which is used to prepare our financial information and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors’ assessments of our financial condition.*

Our Restated Financial Information for Fiscals 2025, 2024 and 2023 included in this Draft Red Herring Prospectus have been derived from the audited financial statements of the Company as of and for the fiscals ended March 31, 2025, March 31, 2024 and March 31, 2023 prepared in accordance with Ind AS and the relevant provisions of the Companies Act, 2013 and other accounting principles generally accepted in India. These financial statements have been restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Ind AS differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a

reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS and Indian GAAP. Accordingly, the degree to which the Ind AS financial statements, which are restated as per the Companies Act, SEBI ICDR Regulations and the Guidance Note on Reports in Company's Prospectuses (Revised 2019) issued by the ICAI, included in this Draft Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly.

59. *Investors may have difficulty enforcing foreign judgments against us or our management.*

Our Company is a limited liability company incorporated under the laws of India and majority of our directors are based in India. Where investors wish to enforce foreign judgments in India, they may face difficulties in enforcing such judgments. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India exercises reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment obtained in a jurisdiction which India recognizes as a reciprocating territory must meet certain requirements of the Code of Civil Procedure, 1908 ("**Civil Code**"). The Civil Code only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions that do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India.

The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India.

60. *Non-resident investors are subject to investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.*

Under foreign exchange regulations currently in force in India, the transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries and/or departments are responsible for granting approval for foreign investment. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India, require a no-objection or a tax clearance certificate from the Indian income tax authorities. Furthermore, this conversion is subject to the shares having been held on a repatriation basis and, either the security having been sold in compliance with the pricing guidelines or the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares a land border with India, can only be made through the government approval route. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction and/or purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Non-debt Instruments Rules. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on any particular terms or conditions or at all. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 374.

61. *If inflation rises in the countries in which we operate, increased costs may result in a decline in profits.*

Inflation rates could be volatile, and we may continue to face high inflation in the future. Increasing inflation in the countries in which we operate can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, salaries, and other expenses relevant to our business, which may adversely affect our business and financial condition. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation can increase our operating expenses, which we may not be able to pass on to customers, whether entirely or in part, and the same may adversely affect our business and financial condition. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

While governments in the countries in which we operate have initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future.

RISKS RELATED TO THE OFFER AND THE EQUITY SHARES

62. *Our ability to raise foreign capital may be constrained by Indian law, which may adversely affect the trading price of the Equity Shares.*

Under foreign exchange regulations currently in force in India, the transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries and/or departments are responsible for granting approval for foreign investment. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Furthermore, this conversion is subject to the shares having been held on a repatriation basis and, either the security having been sold in compliance with the pricing guidelines or, the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares a land border with India, can only be made through the Government approval route. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction and/or purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Non-debt Instruments Rules. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on any particular terms or conditions or at all. For further information, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 374.

63. *The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.*

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the BRLM. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLM through the book building process prescribed under the SEBI ICDR Regulations.

The Offer Price will be based on numerous factors, as described under “*Basis for Offer Price*” on page 121 and may not be indicative of the market price for our Equity Shares after the Offer. The market price of our Equity Shares could be subject to significant fluctuations after the Offer and may decline below the Offer Price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or

disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. As a result of these factors, there can be no assurance that investors will be able to resell their Equity Shares at or above the Offer Price. Our market capitalisation to revenue from operations for Fiscal 2025 is [●] times, at the Offer Price. Our price to earnings ratio for Fiscal 2025 is [●] times at the Offer Price.

64. *Our Equity Shares have never been publicly traded and after this Offer, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, this offering Price may not be indicative of the market price of our Equity Shares after this offering.*

Prior to this Offer, there has been no public market for our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Offer. The Offer Price of our Equity Shares is proposed to be determined by our Company based on various factors and assumptions, in consultation with the BRLM through the Book Building Process and may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter. The Offer Price is based on certain factors, including our Key Performance Indicators, as described under “Basis for Offer Price” on page 121. The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industries and the countries in which we operate, developments relating to India and volatility in the stock exchanges and securities markets elsewhere in the world. These broad market fluctuations and industry factors may materially reduce the market price of our Equity Shares, regardless of our Company's performance. In addition, following the expiry of the six-month locked-in period on certain portions of the pre-Offer Equity Share capital, the pre-Offer shareholders may sell their shareholding in our Company, depending on market conditions and their investment horizon. Any perception by investors that such sales might occur could additionally affect the trading price of our Equity Shares. Consequently, the price of our Equity Shares may be volatile, and you may be unable to sell your Equity Shares at or above the Offer Price, or at all. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

65. *Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on our Equity Shares.*

Capital gains arising from the sale of our Equity Shares are generally taxable in India. Any gain realized on the sale of our Equity Shares on a stock exchange held for more than 12 months is subject to long term capital gains tax in India. A securities transaction tax (“STT”) will be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realized on the sale of our Equity Shares held for more than 12 months by an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to long-term capital gains tax in India. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less that are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to short-term capital gains tax at a higher rate compared to the transaction where STT has been paid in India. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident.

As a result, subject to any relief available under an applicable tax treaty or under the laws of their own jurisdictions, residents of other countries may be liable for tax in India, as well as in their own jurisdictions on gains arising from a sale of our Equity Shares.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while, in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015%, and on a non-delivery basis is specified at 0.003% of the consideration amount. The Finance Act, 2020, has, inter alia, amended the tax regime, including a simplified alternate direct tax regime, and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and, accordingly, that such dividends are not exempt in the hands of the shareholders, and that such dividends are likely to be

subject to tax deduction at source. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

The Government of India has announced the Union Budget for Fiscal 2025 (“**Budget**”). Pursuant to the Budget, the Finance Act, 2024, inter alia, has amended the capital gains tax rates and amounts mentioned above, with effect from the date of announcement of the Budget. The investors are advised to consult their own tax advisors to understand their tax liability as per the laws prevailing on the date of disposal of Equity Shares. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in our Equity Shares. Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, governing our business and operations could result in us being deemed to be in contravention of such laws requiring us to apply for additional approvals.

66. *Qualified institutional buyers (“QIBs”) and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after the Bid/Offer Closing Date.*

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of our Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including the Allotment pursuant to the Offer, within three Working Days from the Bid/Offer Closing Date or such other timeline as may be prescribed under applicable law, events affecting the Bidders’ decision to invest in our Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of our Equity Shares even if such events occur, and such events may limit the Bidders’ ability to sell our Equity Shares Allotted pursuant to the Offer or cause the trading price of our Equity Shares to decline on listing.

67. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.*

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors or to our Company, as applicable. Any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the proceeds received by Shareholders. We currently do not have any hedging agreements or similar arrangements with any counterparty to cover our exposure to any fluctuations in foreign exchange rates. The exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

68. *Fluctuations in interest rates could adversely affect our results of operations.*

We are exposed to interest rate risk resulting from fluctuations in interest rates in our borrowings, including borrowings denominated in Indian Rupees. As of July 31, 2025, we had outstanding borrowings (comprising current and non-current borrowings, current portion of non-current borrowings as well as interest accrued on borrowings) of ₹340.89 million. We have not entered into interest hedging arrangements to hedge against interest rate risk. Upward fluctuations in interest rates may increase our borrowing costs, which could impair our ability to compete effectively in our business relative to competitors with lower levels of indebtedness. As a result, our business, financial condition, cash flows and results of operations may be adversely affected. In addition, there can be no assurance that difficult conditions in the global credit markets will not negatively impact the cost or other terms of our existing financing as well as our ability to obtain new credit facilities or access the capital markets on favourable terms.

69. *We cannot assure that prospective investors will be able to sell immediately on an Indian stock exchange any of our Equity Shares they purchase in the Offer.*

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant and obtaining trading approvals is expected to be completed within the period as may be prescribed under applicable law. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. We cannot assure you that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in accordance with applicable law. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

70. *Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.*

Under the Companies Act, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of our Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

71. *Any future issuance of Equity Shares or securities linked to Equity Shares may dilute your shareholding, and sale of our Equity Shares by our major shareholders may also adversely affect the trading price of our Equity Shares.*

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, may lead to the dilution of investors' shareholdings in us. There can be no assurance that we will not issue further Equity Shares or that the Shareholders will not dispose of our Equity Shares. Any future issuances could also dilute the value of your investment in our Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares.

Any sales (or pledge or encumbrance) of substantial amounts of our Equity Shares in the public market after the completion of the Offer by our major shareholders, including our Promoters (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations), or the perception that such sales could occur, could adversely affect the market price of our Equity Shares and materially impair our future ability to raise capital through offerings of our Equity Shares.

72. *The current market price of some securities listed pursuant to certain previous issues managed by the BRLM is below their respective issue prices. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.*

The current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLM is below their respective issue prices. For further information, see "Other Regulatory and Statutory Disclosures - Price Information and track record of past issued handled by the Book Running Lead Manager" on page 341. The factors that could affect the market price of our Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company, in consultation with the BRLM. Furthermore, the Offer Price of the Equity Shares will be determined by our Company, in consultation with the BRLM through the Book

Building Process. These will be based on numerous factors, including factors as described under “*Basis for Offer Price*” beginning on page 121 and may not be indicative of the market price for the Equity Shares after the Offer. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLM is below their respective issue price. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

73. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (“ASM”) and Graded Surveillance Measures (“GSM”) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance measures in order to enhance market integrity and safeguard the interests of investors, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, concentration of certain customer accounts as a percentage of combined trading volume, average delivery, securities which witness abnormal price rise not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net worth, price / earnings multiple, market capitalization, etc.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of customer accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

74. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors’ fiduciary duties, responsibilities and liabilities, and shareholders’ rights may differ from those that would apply to a company in another jurisdiction. Shareholders’ rights under Indian law may not be as extensive and widespread as shareholders’ rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as shareholders of an entity in another jurisdiction.

SECTION III – INTRODUCTION

THE OFFER

The following table summarizes the Offer details:

Offer of Equity Shares	Up to [●] Equity Shares of face value of ₹5 each aggregating to ₹ [●] million
<i>of which:</i>	
Fresh Issue ⁽¹⁾	Up to [●] Equity Shares of face value of ₹5 each aggregating to ₹ 700.00 million
Offer for Sale ⁽²⁾	Up to 11,933,120 Equity Shares of face value of ₹5 each aggregating to ₹ [●] million
The Offer consists of:	
A) QIB Portion ^{(3) (4)}	Not more than [●] Equity Shares of face value of ₹5 each aggregating to ₹ [●] million
<i>of which:</i>	
(i) Anchor Investor Portion ⁽⁶⁾	Up to [●] Equity Shares of face value of ₹5 each
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares of face value of ₹5 each
<i>of which:</i>	
a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion) ⁽⁴⁾	[●] Equity Shares of face value of ₹5 each
b) Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares of face value of ₹5 each
B) Non-Institutional Portion ⁽³⁾⁽⁵⁾	Not less than [●] Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million
<i>of which:</i>	
One-third of the Non-Institutional Portion available for allocation to Non-Institutional Bidders with an application size of more than ₹200,000 and up to ₹1,000,000	[●] Equity Shares of face value of ₹5 each
Two-thirds of the Non-Institutional Category available for allocation to Non-Institutional Bidders with an application size of more than ₹1,000,000	[●] Equity Shares of face value of ₹5 each
C) Retail Portion ⁽⁶⁾	Not less than [●] Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million
Pre-Offer and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer	83,531,840 Equity Shares of face value of ₹5 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value of ₹5 each
Utilization of Net Proceeds	See “Objects of the Offer” on page 105 for details regarding the use of Net Proceeds. Our Company will not receive any proceeds from the Offer for Sale

⁽¹⁾ The Offer including the Fresh Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on July 22, 2025 and by our Shareholders pursuant to a special resolution passed at their meeting held on July 26, 2025. Further, the Board has taken on record the consents of the Promoter Selling Shareholder pursuant to its resolution dated August 20, 2025.

⁽²⁾ The Promoter Selling Shareholders have confirmed and authorized their participation in the Offer for Sale in relation to its portion of the Offered Shares. Each Promoter Selling Shareholder confirm that their respective portion of the Offered Shares has been held by them for a period of at least one year immediately preceding the date of filing this Draft Red Herring Prospectus with SEBI and are accordingly eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Promoter Selling Shareholders have confirmed and approved their participation in the Offer for Sale:

Name of the Promoter Selling Shareholder	Aggregate number of Offered Shares	Amount (in ₹ million)*	Date of consent letter
Hemant Tukaram Mondkar	7,500,000	[●]	August 14, 2025
Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar	4,433,120	[●]	August 14, 2025

* To be updated at Prospectus stage

- ⁽³⁾ Subject to valid bids being received at or above the Offer Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the Book Running Lead Manager, and the Designated Stock Exchange, subject to applicable laws.
- ⁽⁴⁾ Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Offer Procedure” on page 354.
- ⁽⁵⁾ The Equity shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion shall be subject to the following (a) one-third of the portion available to NIBs shall be reserved for applicants with application size of more than ₹ 200,000 and up to ₹ 1,000,000 (b) 2/3rd of the portion available to NIBs shall be reserved for applicants with application size of more than ₹ 1,000,000: Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of NIBs. The allocation to each NIB shall not be less than the applicable minimum application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.
- ⁽⁶⁾ Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Bidders and Retail Individual Bidders, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Non-Institutional Bidder and Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non-Institutional Portion and the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see “Offer Procedure” on page 354.

For details, including in relation to grounds for rejection of Bids, see “Offer Structure” and “Offer Procedure” on pages 351 and 354, respectively. For details of the terms of the Offer, see “Terms of the Offer” on page 345.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary of financial information derived from the Restated Consolidated Financial Information. The Restated Consolidated Financial Information has been prepared, based on financial information for the Fiscal 2025, Fiscal 2024 and Fiscal 2023. The Restated Consolidated Financial Information has been prepared in accordance with Ind AS and the Companies Act, restated in accordance with the SEBI ICDR Regulations and are presented in the section entitled “*Financial Information*” on page 227.

The summary of financial information presented below should be read in conjunction with the chapters titled “*Restated Consolidated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 227 and 286 respectively.

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Annexure I - Restated Consolidated Statement of Assets and Liabilities

(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

Particulars	Annexure VI Notes	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
ASSETS				
A Non-Current Assets				
a) Property, Plant and Equipment	4	641.04	557.69	345.97
b) Intangible Assets	5	0.29	1.06	0.57
c) Capital Work in Progress	6	31.49	56.31	59.83
d) Intangible under development	6.1	1.95	-	-
e) Financial Assets				
i) Investments	7	17.23	8.14	7.25
ii) Other Financial Assets	8	25.64	113.83	27.96
f) Deferred Tax Assets (Net)	9	15.09	13.09	12.68
g) Other Non Current Assets	10	6.09	20.30	18.65
(A)		738.83	770.41	472.91
B Current Assets				
a) Inventories	11	267.12	210.19	232.62
b) Financial Assets				
i) Trade Receivables	12	457.21	368.63	425.53
ii) Cash and Cash Equivalents	13	7.28	6.04	8.43
iii) Bank Balances other than (ii) above	14	5.79	48.90	49.85
iv) Loans	15	1.45	1.73	1.01
v) Other Financial Assets	16	176.68	4.83	9.57
b) Other Assets	17	52.11	44.97	37.20
c) Current Income Tax Assets (Net)	18	-	6.68	2.26
(B)		967.64	691.97	766.47
TOTAL (A + B)		1,706.47	1,462.38	1,239.38
EQUITY AND LIABILITIES				
A Equity				
a) Equity Share Capital	19	417.66	3.73	3.73
b) Other Equity	20	594.85	818.43	709.30
Equity attributable to Equity Holders of the Company		1,012.51	822.16	713.03
Total Equity	(A)	1,012.51	822.16	713.03
Liabilities				
B Non-Current Liabilities				
a) Financial Liabilities				
i) Borrowings	21	228.77	205.71	121.43
ii) Other Financial Liabilities	22	13.98	12.80	9.37
b) Provisions	23	12.79	12.23	10.04
(B)		255.54	230.74	140.84
C Current Liabilities				
a) Financial Liabilities				
i) Borrowings	24	206.48	202.67	90.63
ii) Trade Payables	25			
- Amount due to Micro & Small Enterprises		21.42	28.33	49.18
- Amount due to Others		144.55	105.16	165.12
iii) Other Financial Liabilities	26	38.31	35.39	30.43
b) Other Liabilities	27	12.75	24.95	30.65
c) Provisions	28	9.58	9.09	9.31
d) Current Tax Liabilities (Net)	29	5.34	3.89	10.19
(C)		438.42	409.48	385.51
TOTAL (A + B + C)		1,706.47	1,462.38	1,239.38

The above Annexure should be read with the Basis of Preparation and Material Accounting Policies appearing in Annexure V, Notes to Restatement Consolidated Financial Information appearing in Annexure VI and Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VII

As per our examination report of even date

For G. M. Kapadia & Co.

Chartered Accountants

Firm Registration No:104767W

For and on behalf of the Board of Directors of

Hy-Tech Engineers Limited

Atul Shah

Partner

Membership No. : 039569

Hemant T. Mondkar

Chairman & Managing Director

(DIN : 00060995)

Surekha H. Mondkar

Executive Director

(DIN : 00040920)

Sunil Satwani

Chief Financial Officer

Sai Ranadive

Company Secretary

M No. :A67683

Place: Mumbai

Date: July 22, 2025

Place: Thane

Date: July 22, 2025

HY-TECH ENGINEERS LIMITED
CIN: U99999MH1978PLC020853
Annexure II - Restated Consolidated Statement of Profit and Loss

(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

Particulars	Annexure VI Notes	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
A Income				
Revenue from Operations	30	1,613.82	1,377.08	1,333.36
Other Income	31	53.25	34.65	36.08
Total Income (A)		1,667.07	1,411.73	1,369.44
B Expenses				
Cost of Raw Materials and Components Consumed	32	591.77	504.36	475.21
Change in Inventories of Finished Goods and Work in Progress	33	(33.75)	(7.27)	(10.63)
Manufacturing Expenses	34	385.35	343.27	305.02
Employee Benefit Expenses	35	203.23	192.43	164.87
Finance Costs	36	48.12	28.74	46.30
Depreciation and Amortisation Expenses	37	101.07	73.39	61.23
Other Expenses	38	109.36	118.78	85.62
Total Expenses (B)		1,405.14	1,253.70	1,127.62
C Profit Before Tax (A - B) (C)		261.94	158.03	241.82
D Tax Expense :				
- Current tax		67.39	42.06	68.96
- Current Tax Pertaining to Earlier Years	39	0.27	-	-
- Deferred tax charge/ (credit)		(1.91)	0.01	(7.16)
Total Tax Expense (D)		65.75	42.07	61.80
E Profit for the Year (C-D)		196.19	115.96	180.02
F Other Comprehensive Income / (Loss)				
(i) Items not to be reclassified subsequently to Statement of Profit and Loss				
- Re-measurement gain/(loss) of defined benefit plan		(0.35)	(1.68)	(0.26)
(ii) Income tax relating to items that will be classified to profit or loss - (Charge)/		0.09	0.42	0.07
Total Other Comprehensive Loss (F)		(0.26)	(1.26)	(0.20)
G Total Comprehensive Income (E+F)		195.93	114.70	179.83
Profit for the year attributable to:				
(i) Owners of the Company		196.19	115.96	180.02
(ii) Non controlling interest		-	-	-
		196.19	115.96	180.02
Other Comprehensive loss for the year attributable to:				
(i) Owners of the Company		(0.26)	(1.26)	(0.20)
(ii) Non controlling interest		-	-	-
		(0.26)	(1.26)	(0.20)
Total Comprehensive Income for the year attributable to:				
(i) Owners of the Company		195.93	114.70	179.83
(ii) Non controlling interest		-	-	-
		195.93	114.70	179.83
Basic and diluted earnings per equity share (in ₹)		2.35	1.39	2.16

The above Annexure should be read with the Basis of Preparation and Material Accounting Policies appearing in Annexure V, Notes to Restatement Consolidated Financial Information appearing in Annexure VI and Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VII

As per our examination report of even date

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No:104767W

For and on behalf of the Board of Directors of
Hy-Tech Engineers Limited

Atul Shah
Partner
Membership No. : 039569

Hemant T. Mondkar
Chairman & Managing Director
(DIN : 00060995)

Surekha H. Mondkar
Executive Director
(DIN : 00040920)

Place: Mumbai
Date: July 22, 2025

Sunil Satwani
Chief Financial Officer
Place: Thane
Date: July 22, 2025

Sai Ranadive
Company Secretary
M No. :A67683

HY-TECH ENGINEERS LIMITED

CIN: U99999MH1978PLC020853

Annexure IV - Restated Consolidated Statement of Cash Flows

(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

Particulars	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES			
Profit Before Tax	261.94	158.03	241.82
Adjustments for:			
Finance Cost	48.12	28.74	46.30
Interest Received	(11.65)	(5.39)	(6.66)
Foreign Exchange Gain (Net)	(2.69)	(1.78)	(3.03)
Depreciation and Amortization	101.07	73.39	61.23
Gain on disposal of Property, Plant and Equipment	(26.88)	(1.85)	(0.75)
Gain on Sale of Investment	-	(2.90)	-
Net (loss)/Gain arising of Financial Assets designated as at FVTPL	0.91	(0.88)	(6.74)
Dividend Income	(0.08)	(0.14)	(0.09)
(Reversal)/Impairment of Investment	-	(4.10)	0.10
Balances Written off	-	3.93	1.09
Provision /(Reversal) for Warranty Claim	0.24	(0.01)	1.33
Provision for Gratuity	4.53	3.50	2.98
Provision for Compensated absence	0.61	1.82	1.30
Provision for Bonus	7.00	6.79	6.62
Bad Debts	0.15	16.03	-
Investment Written Off	-	4.00	-
Provision/(Reversal) for Doubtful Debts/Expected Credit Loss	3.67	(9.28)	6.12
Operating Profit Before Working Capital Changes	386.94	269.90	351.62
Changes in Working Capital			
Trade and Other Receivables	(89.74)	51.89	(29.40)
Loans and Advances	0.28	(0.71)	(0.47)
Inventories	(56.93)	22.22	(0.71)
Other Financial Assets	(20.65)	1.52	4.78
Other Assets	(11.05)	(11.41)	26.51
Other Financial Liabilities	(1.21)	7.24	(0.89)
Other Liabilities	(3.63)	(8.50)	10.50
Provisions	(6.79)	(11.79)	(10.09)
Trade and Other Payables	32.48	(80.81)	36.27
Net Cash Generated from Operations	229.69	239.55	388.12
Direct Taxes Paid (Net of Refund)	(59.53)	(52.78)	(77.99)
Net Cash Generated from Operating Activities...(A)	170.16	186.77	310.13
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for Property, Plant and Equipment & Intangible Assets	(154.11)	(286.39)	(135.42)
Proceed from Sale of Property, Plant and Equipment & Intangible Assets	38.32	4.40	21.24
Purchase/(Redemption) of Investment	(10.00)	3.00	-
Interest Income	1.17	5.38	6.66
Dividend Income	0.08	0.14	0.09
Fixed Deposits (Placed) / Matured during the year (Net)	(9.42)	(81.71)	50.11
Net Cash Used in Investing Activities... (B)	(133.96)	(355.18)	(57.32)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Long Term Borrowings	56.56	116.57	66.37
Repayment of Long Term Borrowings	(31.91)	(50.25)	(144.40)
Short Term Borrowing (Net)	1.80	130.01	(130.46)
Finance Cost	(55.83)	(24.72)	(42.27)
Dividend Paid	(5.59)	(5.59)	(3.73)
Net Cash Generated from / (Used in) Financing Activities... (C)	(34.97)	166.02	(254.49)
Net Increase /(Decrease) in Cash and Cash Equivalents (A+ B+C)	1.24	(2.39)	(1.67)

GENERAL INFORMATION

Registered and Corporate Office of our Company

Plot No. A-160, Main Road, Wagle Industrial Estate,
Thane-400604, Maharashtra.

Corporate identity number and registration number

CIN: U99999MH1978PLC020853

Registration Number: 020853

For details of our incorporation and changes to our name and our registered office address, see “*History and Certain Corporate Matters*” on page 199.

Address of the Registrar of the Companies

Our Company is registered with the RoC which is located at the following address:

Registrar of Companies, Maharashtra at Mumbai

Registrar of Companies
100, Everest, Marine Drive,
Mumbai-400002.

Board of Directors

Details regarding our Board as on the date of this Draft Red Herring Prospectus are set forth below:

Name	Designation	DIN	Address
Hemant Tukaram Mondkar	Chairman and Managing Director	00060995	504/505, Rajmahal Society, Panchpakhadi, Gen. Arunkumar Vaidya Marg, Thane (W)-400602, Maharashtra
Surekha Hemant Mondkar	Executive Director	00040920	504/505, Rajmahal Society, Panchpakhadi, Gen. Arunkumar Vaidya Marg, Thane (W)-400602, Maharashtra
Ashwin Hemant Mondkar	Non-Executive Director	09186220	14501, Charter Walk Lane, Midlothian, Virginia, 23114-4698
Vivek Sadashiv Patwardhan	Independent Director	07140190	Near Korum Mall, 122-Jyeshta, Tarangan-2, Building No-9, Jekegram, Thane-400606, Maharashtra
Satish Prabhakar Kulkarni	Independent Director	08741350	Near Galleria Market, B-403, Valencia CHS, Central Avenue Road, Hiranandani Garden, Powai IIT, Mumbai- 400076
Chetan Ramesh Sapre	Independent Director	09536839	Flat No. A-702, Sai Amrut CHS, Plot No – 64, Sector-17, Roadpali, Kalamboli Node, Raigarh-410218, Maharashtra.
Nandeeta Amit Vengsarkar Wagh	Additional Independent Director	08411366	B-606, Gundecha Symphony, Veera Desai Road, Andheri West Mumbai, Azad Nagar, Maharashtra, 400053

For further details in relation to our Board, see “*Our Management*” on page 204.

Company Secretary & Compliance Officer

Sai Yashwant Ranadive is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Sai Yashwant Ranadive

c/o Hy-Tech Engineers Limited
Plot No. A-160, Main Road,

Wagle Industrial Estate,
Thane-400604 Maharashtra.
Email Id: hytechcs@hy-techengineers.com
Telephone: +91 22 4097 1916

Investor grievances

For mechanism for the redressal of Investor Grievances, see “*Other Regulatory and Statutory Disclosures - Mechanism for Redressal of Investor Grievances*” on page 342.

Filing of this Draft Red Herring Prospectus

A copy of this Draft Red Herring Prospectus shall be uploaded on the SEBI intermediary portal at <https://siportal.sebi.gov.in> as specified in Regulation 25(8) of the SEBI ICDR Regulations and the SEBI ICDR Master Circular and will also be filed with the SEBI at:

Securities and Exchange Board of India

Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, ‘G’ Block
Bandra Kurla Complex
Bandra (E), Mumbai 400 051
Maharashtra, India.

Filing of the Red Herring Prospectus and the Prospectus

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act shall be filed with the RoC and a copy of the Prospectus shall be filed with the RoC under Section 26 of the Companies Act through the electronic portal at <https://www.mca.gov.in/content/mca/global/en/foportal/fologin.html>

Book Running Lead Manager

New Berry Capitals Private Limited

A-602 Marathon NextGen Innova,
Ganpatrao Kadam Marg, Veer Santaji Lane,
Lower Parel, Mumbai, Maharashtra, India, 400013

Contact No: 022 – 48818442

Email: project.darwin@newberry.in

Investor grievance email: grievances@newberry.in

Contact Person: Satish Mangutkar/Ankur Sharma

Website: www.newberry.in

SEBI Registration number: INM000012999

CIN: U67190MH2007PTC174445

Statement of inter se allocation of Responsibilities for the Offer

Since New Berry Capitals Private Limited is the sole Book Running Lead Manager to this Offer, all the responsibilities relating to the co-ordination and other activities in relation to the Offer shall be performed by them. Hence, a statement of *inter se* allocation of responsibilities is not applicable.

Syndicate Member

[•]

Legal Counsel to the Issuer as to Indian laws

Dentons Link Legal

1102, 11th Floor, Tower 1, One International Center,
Senapati Bapat Marg, Prabhadevi (West),
Mumbai 400 013, India
Telephone: +91114561 1000

Statutory Auditors of our Company

G. M. Kapadia & Co.

1007, Raheja Chambers, 213, Nariman Point, Mumbai-400021

Contact No.: +91 22 6611 6611

E-mail: atul@gmkco.com

Contact Person: Atul Shah

Membership No.: 039569

Firm Registration No.: 104767W

Peer Review Certificate No.: 016710

Changes in Statutory Auditors during last three Financial Years

Except as stated below, there have been no changes in the statutory auditors during the last three years preceding the date of this Draft Red Herring Prospectus

Particulars	Date of Change	Reason of Change
Sharp & Tannan Ravindra Annexe, 194, Churchgate Reclamation, Dinshaw Vachha Road, Mumbai-400020 FRN.: 109982W Peer Review Certificate No.: 012666 Email: admin.mumbai@sharpandtannan.com	September 30, 2022	Completion of Tenure
G. M. Kapadia & Co. 1007, Raheja Chambers, 213, Nariman Point, Mumbai-400021 FRN.: 104767W Peer Review Certificate No.: 016710 Email: audit1@gmkco.com	September 30, 2022	Appointed as the Statutory Auditor of the Company

Registrar to the Offer

Bigshare Services Private Limited

Office No. S6-2, 6th floor,

Pinnacle Business Park,

Mahakali Caves Road,

next to Ahura Centre,

Andheri East, Mumbai-400093.

Contact No.: +91 22 6263 8200

Email: ipo@bigshareonline.com

Investor grievance email: investor@bigshareonline.com

Contact Person: Babu Raphael

Website: www.bigshareonline.com

SEBI Registration Number: INR000001385

CIN: U99999MH1994PTC076534

URL of SEBI website:

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>

Banker(s) to the Offer:

Escrow Collection Bank(s)

[•]

Public Offer Bank(s)

[•]

Refund Bank(s)

[•]

Sponsor Banks

[•]

Banker to our Company

TJSB Sahakari Bank Ltd.

Address: Wagle Estate Branch - Shop No.1, Ground Floor, Centrum,
Plot No.C-3, S.G. Road, Wagle Industrial Estate, Thane-400 604.

Telephone: +91 72088 42308

E-mail: tjsb.004@tjsb.co.in

Website: <http://www.tjsbbank.co.in>

Contact Person: Mrs. Shamita Bhise

Registration No.: TNA/BMK/155

Designated Intermediaries

SCSBs and mobile applications enabled for UPI mechanism

The banks registered with the SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorizing an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.

Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at www.bseindia.com and www.nseindia.com, respectively, as updated from time to time.

RTAs

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? And www.nseindia.com/products-services/initial-public-offerings-asba-procedures, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? And on the website of NSE at www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

IPO Grading

No credit agency registered with SEBI has been appointed in respect of obtaining grading of the Offer.

Monitoring Agency

Since the quantum of Fresh Issue is below ₹1,000 million, in terms of the Regulation 41(1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for this Offer.

Appraising Agency

None of the objects for which the Net Proceeds will be utilized have been appraised by an agency.

Credit Rating

As the Offer is of Equity Shares, credit rating is not required.

Debenture Trustees

As the Offer is of Equity Shares, the appointment of Debenture trustees is not required.

Green Shoe Option

No green shoe option is contemplated under the Offer.

Experts

Our Company has not obtained any expert opinions other than as disclosed below.

Our Company has received written consent dated September 4, 2025 from the Statutory Auditors, G. M. Kapadia & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26 of the Companies Act, 2013 read with the SEBI ICDR Regulations, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated July 22, 2025 on the Restated Consolidated Financial Information; (ii) their statement of special tax benefits available to our Company and its Shareholders in this Draft Red Herring Prospectus; and (iii) the certificates issued in relation to the Offer which may appear in the Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received written consent dated September 4, 2025 from Nayan Parikh & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in its capacity as the independent chartered accountant and in respect of the certificates issued by them and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received written consent dated September 3, 2025 from Nandkishor P. Kalekar, Independent Chartered Engineer, to include his name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and be named as an “expert” as defined under Section 2(38) of the Companies Act, 2013 and to the extent and in his capacity as the chartered engineer in respect of information certified by them, as included in this Draft Red Herring Prospectus; and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus..

Our Company has received written consent dated September 3, 2025 from Elias L. Rodrigues & Co., the independent Practicing Company Secretary, holding a valid peer review certificate from ICSI, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and be named as an “expert” as defined under Section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Book Building Process

Book building process, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus and the Bid cum Application Forms and the Revision Forms within the Price Band and minimum Bid Lot. The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and shall be advertised in all editions of [•], an English national daily newspaper with wide circulation, all editions of [•], a Hindi national daily newspaper with wide circulation and [•] editions of [•], a Marathi daily newspaper (Marathi being regional language of Maharashtra where the Registered and Corporate Office of our Company is situated) and advertised at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges to upload on their respective websites. The Offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Offer Closing Date.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Offer by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the UPI Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and can withdraw their Bids on or before the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Offer Period. Allocation to the Anchor Investors will be on a discretionary basis. See “Offer Structure” and “Offer Procedure” beginning on pages 351 and 354, respectively

Except for Allocation to RIBs, NIBs and Anchor Investors, allocation in the Offer will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis. For allocation to the Non-Institutional Bidders, the following shall be followed:

- a) One-third of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹200,000 and up to ₹1,000,000.
- b) Two-thirds of the portion available to Non-Institutional Bidders shall be reserved for Bidders with application size of more than ₹1,000,000.

Provided that the unsubscribed portion in either of the sub-categories specified under clauses (a) or (b), may be allocated to Bidders in the other sub-category of Non-Institutional Bidders.

Each Bidder by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

The Book Building Process is in accordance with guidelines, rules, regulations prescribed by SEBI, which are subject to change from time to time. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Bidders should note that the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and filing of the Prospectus with the RoC.

For further details on the method and procedure for Bidding, see “Offer Structure” and “Offer Procedure” on pages 351 and 354, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see “Offer Procedure” on page 354 of this Draft Red Herring Prospectus.

Underwriting

Our Company and the Promoter Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued through the Offer, in accordance with Regulation 40(3) of the SEBI ICDR Regulations. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of each of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares which they shall subscribe to on account of rejection of bids, either by themselves or by procuring subscription, at a price which shall not be less than the Offer Price:

(This portion has been intentionally left blank and will be filled in before filing Prospectus with the RoC.)

Name, address, telephone, fax, and email of the Underwriters	Indicative number of Equity Shares to be Underwritten	Amount Underwritten (₹ in million)
[●]	[●]	[●]

The abovementioned underwriting commitments are indicative and will be finalized after determination of the Offer Price and Basis of Allotment and the allocation of Equity Shares, subject to and in accordance with the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board (on the basis of representation made by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. The extent of underwriting obligations (including any defaults in payment for which the respective Underwriter is required to procure purchasers for or purchase the Equity Shares to the extent of the defaulted amount) and the Bids to be underwritten in the Offer by each Book Running Lead Manager shall be as per the Underwriting Agreement

CAPITAL STRUCTURE

The Equity Share capital of our Company as at the date of this Draft Red Herring Prospectus, is set forth below:

(in ₹, except share data, unless otherwise stated)

S. No.	Particulars	Aggregate Face Value	Aggregate Value at Offer Price ⁽¹⁾
I	AUTHORIZED SHARE CAPITAL⁽²⁾		
	104,000,000 Equity Shares of ₹5 each	520,000,000	-
II	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER		
	83,531,840 Equity Shares of face value ₹5 each	417,659,200	-
III	PRESENT OFFER		
	Offer of [●] Equity Shares of face value of ₹5 each at a price of ₹ [●] per Equity Share ⁽³⁾	[●]	[●]
	Comprising:		
	Fresh Issue of [●] Equity Shares of face value of ₹5 each aggregating up to ₹700.00 million ⁽³⁾	[●]	[●]
	Offer for Sale of upto 11,933,120 Equity Shares of face value of ₹5 each aggregating up to ₹ [●] million ⁽⁴⁾	[●]	[●]
IV	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER		
	[●] Equity Shares of face value of ₹5 each	[●]	[●]
V	SECURITIES PREMIUM ACCOUNT		
	Before the Offer (in ₹ million)		30.83
	After the Offer (in ₹ million)		[●]

⁽¹⁾ To be included upon finalization of the Offer Price

⁽²⁾ For details in relation to the changes in the authorized share capital of our Company, see “History and Certain Corporate Matters – Amendments to our Memorandum of Association in the last ten years” on page 199.

⁽³⁾ The Offer including the Fresh Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on July 22, 2025 and by our Shareholders pursuant to a special resolution passed at their meeting held on July 26, 2025, in accordance with Section 62(1)(c) of the Companies Act, 2013. Further, the Board has taken on record the Offer for Sale by the Promoter Selling Shareholders pursuant to its resolution dated August 20, 2025.

⁽⁴⁾ The Equity Shares of face value of ₹5 each being offered by the Promoter Selling Shareholders have been held for a period of at least one year immediately preceding the date of the Draft Red Herring Prospectus and are eligible for being offered for sale as part of the Offer in terms of the SEBI ICDR Regulations. Each Promoter Selling Shareholder has, severally and not jointly, confirmed and approved their respective participation in the Offer for Sale and their respective eligibility to participate in the Offer for Sale in accordance with the SEBI ICDR Regulations. For further details of authorizations received for the Offer, see “The Offer” and “Other Regulatory and Statutory Disclosures – Authority for the Offer” on pages 73 and 334, respectively.

Notes to Capital Structure

1. Share Capital History of our Company

a. Equity Share Capital

The history of the equity share capital of our Company is set forth below:

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration (cash / other than cash)	Nature of allotment	List of allottees	Cumulative number of equity shares	Cumulative equity share capital (₹)
December 18, 1978	2	100	100	Cash	Subscription to the MoA	1 equity share each to Shantilal Patel and Navinchandra Botadra	2	200
December 08, 1980*	1,798	100	100	Cash	Further Issue	Allotment of 195 equity shares to Shantilal Patel, 184 equity shares to Navinchandra Botadra, 50 equity shares to Sumant Tukaram Mondkar, 40 equity shares to Vishwanath Narayan Desai, 212 equity shares to Hemant Tukaram Mondkar, 65 equity shares to Jayant Mondkar, 156 equity shares to Siraj Nomanbhai Gangardiwala, 28 equity shares to Zehra Siraj Gangardiwala, 72 equity shares to Neeta Navinchandra Botadra, 30 equity shares to Bhupendra Manilal Botadra, 80 equity shares to Usha Harsukh Bhai Botadra, 245 equity shares to Rajendra Shantilal Patel, 441 equity shares to Anil Narsinhbhai Patel.	1,800	180,000
December 24, 1987*	2,000	100	100	Cash	Further Issue	Allotment of 350 equity shares to Hemant Tukaram Mondkar, 210 equity shares to Jayant Tukaram Mondkar, 116 equity shares to Siraj Nomanbhai Gangardiwala, 88 equity shares to Zehra Siraj Gangardiwala, 240 equity shares to Anil Narsinhbhai Patel, 256 equity shares to Surekha Hemant Mondkar, 245 equity shares to Pankaj Shantilal Patel, 245 equity shares to Sharadaben Shantilal Patel, 250 equity shares to Mahindra Narisinhbhai Patel	3,800	380,000
July 31, 1990*	2,200	100	100	Cash	Further Issue	Allotment of 615 equity shares to Hemant Tukaram Mondkar, 235 equity shares to	6,000	600,000

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration (cash / other than cash)	Nature of allotment	List of allottees	Cumulative number of equity shares	Cumulative equity share capital (₹)
						Jayant Tukaram Mondkar, 212 equity shares to Siraj Nomanbhai Gangardiwala, 319 equity shares to Anil Narsinhbhai Patel, 250 equity shares to Bhargavi Anil Patel, 104 equity shares to Shantilal Kalayanbhai Patel (jointly with Sharadaben Shantibhai Patel), 155 equity shares to Sharadaben Shantilal Patel (jointly with Shantilal Kalyanbhai Patel), 155 equity shares to Pankaj Shantilal Patel (jointly with Amita Pankaj Patel), 155 equity shares to Rajendra Patel (jointly with Shantilal Kalyanbhai Patel)		
December 18, 1990*	4,000	100	NA	NA	Bonus Issue	Allotment of 131 equity shares to Shantilal Kalyanbhai Patel, 785 equity shares to Hemant Tukaram Mondkar, 400 equity shares to Jayant Tukaram Mondkar, 323 equity shares to Siraj Nomanbhai Gangardiwala, 77 equity shares to Zehra Siraj Gangardiwala, 163 equity shares to Rajendra Shantilal Patel, 667 equity shares to Anil Narshibhai Patel, 415 equity shares to Surekha Hemant Mondkar, 163 equity shares to Pankaj Shantilal Patel, 163 equity shares to Sharadaben Shantilal Patel, 166 equity shares to Bhargavi Anil Patel, 167 equity shares to Nayana Mahindra Patel, 70 equity shares to Shantilal Kalayanbhai Patel (jointly with Sharadaben Shantibhai Patel), 104 equity shares to Sharadaben Shantilal Patel (jointly with Shantilal Kalyanbhai Patel), 103 shares to Pankaj Shantilal Patel (jointly with Amita Pankaj Patel), 103 equity shares to Rajendra Shantilal Patel (jointly with Shantilal Kalyanbhai Patel)	10,000	1,000,000
June 03, 2003	14,000	100	100	Cash	Further Issue	Allotment of 7,000 equity shares to Hemant Tukaram Mondkar, 3,500 equity shares to	24,000	2,400,000

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration (cash / other than cash)	Nature of allotment	List of allottees	Cumulative number of equity shares	Cumulative equity share capital (₹)
						Jayant Mondkar, 3,500 equity shares to Surekha Hemant Mondkar		
February 14, 2008	8,800	100	-	Other than Cash	Allotment pursuant to the Scheme of Amalgamation [#]	Allotment of 3,720 equity shares to Hemant Tukaram Mondkar, 1,960 equity shares to Jayant Mondkar, 800 equity shares to Surekha Hemant Mondkar, 240 equity shares to Jayant Mondkar (Jointly with Neela Jayant Mondkar), 720 equity shares to Ashwin Hemant Mondkar, 720 equity shares to Surekha Hemant Mondkar (jointly with Hemant Tukaram Mondkar), 640 equity shares to Darshan Mondkar	32,800	3,280,000
February 28, 2008	6,250	100	800	Cash	Further Issue	Allotment of 3,125 equity shares to Hemant Tukaram Mondkar, 2,125 equity shares to Surekha Hemant Mondkar, 1,000 equity shares to Darshan Mondkar	39,050	3,905,000
March 18, 2009	1,000	100	800	Cash	Further Issue	Allotment of 375 equity shares to Hemant Tukaram Mondkar, 250 equity shares to Jayant Mondkar, 375 equity shares to Surekha Hemant Mondkar.	40,050	4,005,000
September 28, 2020	(5,051)	100	9,721	Cash	Buyback of Equity Shares	Buyback of 3,776 equity shares from Darshan Mondkar, 1,275 equity shares from Darshan Mondkar (jointly with Hemant Tukaram Mondkar)	34,999	3,499,900
December 28, 2021	2,292	100	13,550	Cash	Preferential Allotment	Allotment of 1,842 equity shares to Ashwin Hemant Mondkar, 100 equity shares to Raju Ganpatasa Meharwade, 200 equity shares to Mahesh Vishwanath Karlekar, 50 equity shares to Sanjay Jadhav, 100 equity shares to Makarand Madhusudan Joshi	37,291	3,729,100
Sub-division of 37,291 equity shares of face value of ₹100 each to 372,910 Equity Shares of face value of ₹10 each, pursuant to the Shareholders' resolution dated February 07, 2022								
Sub-division of 372,910 equity shares of face value of ₹10 each to 745,820 Equity Shares of face value of ₹5 each, pursuant to the Shareholders' resolution dated February 06, 2025								
February 08, 2025	8,27,86,020	5	NA	NA	Bonus Issue	Allotment of 56,479,020 equity shares to Hemant Tukaram Mondkar, 20,552,760 equity shares to Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar, 4,089,240 equity shares to Ashwin Hemant	83,531,840	417,659,200

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration (cash / other than cash)	Nature of allotment	List of allottees	Cumulative number of equity shares	Cumulative equity share capital (₹)
						Mondkar, 333,000 equity shares to Makarand Madhusudan Joshi, 333,000 equity shares to Sandeep Manohar Rane, 222,000 equity shares to Sanjay Jadhav, 222,000 equity shares to Nikhil Balasaheb Borawake, 222,000 equity shares to Sunil Satwani, 111,000 equity shares to Jeevan Murlidhar Ahirrao, 111,000 equity shares to Hanamant Kaka Mali, 111,000 equity shares to Sujit N Chaudhari.		

**We have been unable to trace the complete set of corporate resolutions and filings made by our Company, as applicable, for changes in our issued, subscribed and paid-up capital. Accordingly, we have placed reliance on minutes of the Board/ its committees and Shareholders' meetings, Form 2s, statutory registers, balance sheets comprised in our annual reports, to the extent available and as applicable and the certificate dated September 3, 2025 from Elias L. Rodrigues & Co, practicing company secretaries. For details, see "Risk Factor 16 - We are unable to trace some of our historical records and regulatory filings by our Company. Further, there have been certain inadvertent errors or inaccuracies in the filings made with RoC. We cannot assure you that legal proceedings or regulatory actions will not be initiated against us in the future, which could adversely affect our financial condition and reputation." on page 44.*

[#]Pursuant to the scheme of amalgamation of Hy-Tech Vehicle Fittings Private Limited with our Company filed under sections 391 to 394 of the Companies Act, 1956, as sanctioned by the Hon'ble High Court of Bombay pursuant to its order dated October 26, 2007. The appointed date of the Scheme of Amalgamation was April 1, 2006.

Secondary Transactions involving the Promoters, Promoter Group and the Promoter Selling Shareholders

Except as disclosed in “– Build-up of the Promoters’ Contribution” on page 96 and as set out below, there are no secondary transactions of Equity Shares by our Promoters, the members of the Promoter Group and Promoter Selling Shareholders since incorporation of our Company:

Date of transfer	Name of transferor	Name of transferee	Number of equity shares	Face value per equity share (₹)	Transfer price per equity share (₹) [#]
February 28, 1990	Sumant Tukaram Mondkar	Jayant Tukaram Mondkar	50	100	100
February 28, 1990	Vishwanath Narayan Desai	Jayant Tukaram Mondkar	40	100	100
June 27, 1996	Anil Narsinbhai Patel	Jayant Tukaram Mondkar jointly with Neela Jayant Mondkar	500	100	100
June 27, 1996	Anil Narsinbhai Patel	Darshan Hemant Mondkar	200	100	100
June 27, 1996	Bhargavi Patel	Darshan Hemant Mondkar jointly with Hemant Tukaram Mondkar	200	100	100
August 24, 2004	Shardaben Shantilal Patel	Darshan Hemant Mondkar jointly with Hemant Tukaram Mondkar	300	100	100
August 24, 2004	Shardaben Shantilal Patel jointly with Shantilal Kalyanbhai Patel	Darshan Hemant Mondkar jointly with Hemant Tukaram Mondkar	259	100	100
August 24, 2004	Rajendra Patel jointly with Shantilal Kalyanbhai Patel	Darshan Hemant Mondkar jointly with Hemant Tukaram Mondkar	258	100	100
August 24, 2004	Pankaj Patel jointly with Amita Pankaj Patel	Darshan Hemant Mondkar jointly with Hemant Tukaram Mondkar	258	100	100
April 03, 2012	Ashwin Hemant Mondkar jointly with Hemant Tukaram Mondkar	Darshan Hemant Mondkar	1216	100	Nil
April 03, 2012	Ashwin Hemant Mondkar	Darshan Hemant Mondkar	720	100	Nil
December 26, 2020	Jayant Tukaram Mondkar	Hemant Tukaram Mondkar	7819	100	Nil
December 26, 2020	Jayant Tukaram Mondkar jointly with Neela Jayant Mondkar	Hemant Tukaram Mondkar	740	100	Nil

[#]Certain share transfer forms and other secretarial documents for certain transfers could not be traced as the relevant information was not available in the records maintained by our Company. Accordingly, we have placed reliance on minutes of the Board/ its committees and Shareholders’ meetings, Form 2s, statutory registers, balance sheets comprised in our annual reports, to the extent available and as applicable and the certificate dated September 3, 2025 from Elias L. Rodrigues & Co, practicing company secretaries for missing documents. For details, see “Risk Factor 16 - We are unable to trace some of our historical records and regulatory filings by our Company. Further, there have been certain inadvertent errors or inaccuracies in the filings made with RoC. We cannot assure you that legal proceedings or regulatory actions will not be initiated against us in the future, which could adversely affect our financial condition and reputation.” on page 44.

b. As on the date of this Draft Red Herring Prospectus, our Company has not issued any preference shares.

2. Details of Equity Shares issued for consideration other than cash, bonus issue or out of revaluation reserves:

Our Company has not issued any equity shares for consideration other than cash, out of revaluation of reserves or by way of bonus issue since its incorporation, except as disclosed below:

Date of allotment	Number of equity	Face value per equity share (₹)	Issue price per	Benefits accrued to	Reason/ Nature of allotment	Name of allottees

of equity shares	shares allotted		equity share (₹)	our Company		
December 18, 1990	4,000	100	NA	NA	Bonus Issue	Allotment of 131 equity shares to Shantilal Patel, 785 equity shares to Hemant Tukaram Mondkar, 400 equity shares to Jayant Mondkar, 323 equity shares to Siraj Nomanbhai Gangardiwala, 77 equity shares to Zehra Siraj Gangardiwala, 163 equity shares to Rajendra Shantilal Patel, 667 equity shares to Anil Narshibhai Patel, 415 equity shares to Surekha Hemant Mondkar, 163 equity shares to Pankaj Shantilal Patel, 163 equity shares to Sharadaben Shantilal Patel, 167 equity shares to Nayana Mahindra Patel, 166 equity shares to Bhargavi Anil Patel, 70 equity shares to Shantilal Kalayanbhai Patel (jointly with Shardaben Shantibhai Patel), 104 equity shares to Sharadaben Shantilal Patel (jointly with Shantilal Kalyanbhai Patel), 103 equity shares to Pankaj Patel (jointly with Amita Pankaj Patel), 103 equity shares to Rajendra Patel (jointly with Shantilal Kalyanbhai Patel)
February 14, 2008	8,800	100	-	Other than Cash	Allotment pursuant to the Scheme of Amalgamation*	Allotment of 3,720 equity shares to Hemant Tukaram Mondkar, 1,960 equity shares to Jayant Mondkar, 800 equity shares to Surekha Hemant Mondkar, 240 equity shares to Jayant Mondkar (Jointly with Neela Jayant Mondkar), 720 equity shares to Ashwin Hemant Mondkar, 720 equity shares to Surekha Hemant Mondkar (jointly with Hemant Tukaram Mondkar), 640 equity shares to Darshan Mondkar
February 08, 2025	8,27,86,020	5	NA	NA	Bonus Issue	Allotment of 56,479,020 equity shares to Hemant Tukaram Mondkar, 20,552,760 equity shares to Surekha Hemant Mondkar, 4,089,240 equity shares to Ashwin Hemant Mondkar, 333,000 equity shares to Makarand Madhusudan Joshi, 333,000 equity shares to Sandeep Manohar Rane, 222,000 equity shares to Sanjay Jadhav, 222,000 shares to Nikhil Balasaheb Borawake, 222,000 equity shares to Sunil Satwani, 111,000 equity shares to Jeevan Murlidhar Ahirrao, 111,000 equity shares to Hanamant Kaka Mali, 111,000 equity shares to Sujit N Chaudhari.

* Pursuant to the scheme of amalgamation of Hy-Tech Vehicle Fittings Private Limited with our Company filed under sections 391 to 394 of the Companies Act, 1956, as sanctioned by the Hon'ble High Court of Bombay pursuant to its order dated October 26, 2007. The appointed date of the Scheme of Amalgamation was April 1, 2006.

3. Allotment of shares pursuant to any schemes of arrangement

Except as disclosed in “–Notes to the Capital Structure –Share capital history of our Company –(i) Equity share capital” on page 86, our Company has not allotted any Equity Shares or preference shares pursuant to a scheme of amalgamation approved under Sections 391 to 394 of the Companies Act 1956 or Sections 230 to 234 of the Companies Act 2013.

4. Issue of equity shares under employee stock option schemes

Our Company has not issued any Equity Shares pursuant to the employee stock option scheme as on date of this Draft Red Herring Prospectus.

5. Issue of equity shares at a price lower than Offer Price in the last one (1) year

The Offer Price shall be determined by our Company, in consultation with the BRLM after the Bid/Offer Closing Date. Except as disclosure in “*Capital Structure - Notes on Capital Structure*” on page 87, our Company has not made an issue of Equity Shares at a price which may be lower than the Offer Price during the period of one year preceding the date of filing of this Draft Red Herring Prospectus.

6. Shareholding Pattern of our Company

The table below presents the current shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus[#]

The table below presents the current shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus																		
Sr. No(I)	Category of shareholder (II)	Nos. of shareholder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII = IV+V+VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2) (VIII)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2) (XI=VIII+X)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+ C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class Equity Shares of ₹5 each	Class: Others	Total								
A)	Promoter & Promoter Group	3	81,851,840	-	-	81,851,840	97.99%	81,851,840	-	81,851,840	97.99%	-	-	-	-	-	-	81,851,840
B)	Public	8	1,680,000	-	-	1,680,000	2.01%	1,680,000	-	1,680,000	2.01%	-	-	-	-	-	-	1,680,000
C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2)	Shares held by Employee Welfare Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	11	83,531,840	-	-	83,531,840	100.00%	-	-	83,531,840	8,353,184	100.00%	-	-	-	-	-	83,531,840

[#] Based on beneficiary position statement as available on September 3, 2025

7. Details of equity shareholding of major shareholders of our Company

- a. Set forth below is the list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company on a fully diluted basis and the number of Equity Shares held by them, as on the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of Equity Shares of face value ₹5	Percentage of the then existing paid up capital (%)
1.	Hemant Tukaram Mondkar	54,137,840	64.81%
2.	Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar	20,737,920	24.83%
3.	Ashwin Hemant Mondkar	69,76,080	8.35%
	Total	81,851,840	97.99%

- b. Set forth below is the list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company on a fully diluted basis and the number of Equity Shares held by them, as of 10 days prior to the date of this Draft Red Herring Prospectus

S. No.	Name of the Shareholder	Number of Equity Shares of face value ₹5	Percentage of the then existing paid up capital (%)
1.	Hemant Tukaram Mondkar	54,137,840	64.81%
2.	Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar	20,737,920	24.83%
3.	Ashwin Hemant Mondkar	6,976,080	8.35%
	Total	81,851,840	97.99%

- c. Set forth below is the list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company on a fully diluted basis and the number of Equity Shares held by them, as of one year prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of equity shares of face value ₹10	Percentage of the then existing paid up capital (%)
1.	Hemant Tukaram Mondkar	256,910	68.89%
2.	Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar	92,580	24.83%
3.	Ashwin Hemant Mondkar	18,420	4.94%
	Total	367,910	98.66%

- d. Set forth below is the list of shareholders holding 1% or more of the paid-up Equity Share capital of our Company on a fully diluted basis and the number of Equity Shares held by them, as of two years prior to the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Number of equity shares of face value ₹10	Percentage of the then existing paid up capital (%)
1.	Hemant Tukaram Mondkar	257,410	69.03%
2.	Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar	92,580	24.83%
3.	Ashwin Hemant Mondkar	18,420	4.94%
	Total	368,410	98.79%

8. Except for the issuance of any Equity Shares pursuant to the Fresh Issue, our Company presently does not intend or propose to alter its capital structure for a period of six (6) months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of further public issue of Equity Shares, or otherwise. However, if business needs of our Company so require, our Company may alter the capital structure by way of split / consolidation of the denomination of the Equity Shares / issue of Equity Shares on a preferential basis or issue of bonus or rights or

public or preferential issue of Equity Shares or any other securities during the period of six (6) months from the date of opening of the Offer or from the date the application monies are refunded on account of failure of the Offer, after seeking and obtaining all the approvals which may be required.

9. History of build-up of Promoters' shareholding (including Promoters' contribution) and Lock-in of Promoters' shareholding:

i. Build-up of Promoters' shareholding

As on the date of this Draft Red Herring Prospectus, our Promoters hold 81,851,840 Equity Shares which constitutes 97.99% of the pre-offer, subscribed and paid-up Equity Share Capital of our Company. Further, none of the Equity Shares held by our Promoters are pledged.

Date of Allotment/ Transfer/ when made fully paid up *	Number of equity shares	Nature of transaction	Nature of consideration	Face value per equity share (₹)	Issue/ acquisition/ sale price per equity share (₹)**	% of pre-offer equity share capital	% of post Offer equity share capital
I. Hemant Tukaram Mondkar⁽¹⁾							
a) Hemant Tukaram Mondkar jointly with Surekha Hemant Mondkar							
March 21, 2024	2000	Transfer from Mahesh Vishwanath Karlekar	Cash	10	2,710	Negligible ^s	[●]
March 22, 2024	(1000)	Transfer to Sandeep Rane	Cash	10	2,710	Negligible ^s	[●]
March 22, 2024	(500)	Transfer to Nikhil Balasaheb Borawake	Cash	10	2,710	Negligible ^s	[●]
July 11, 2024	(500)	Transfer to Sachin Jaybhaye	Cash	10	2,001	Negligible ^s	[●]
Sub-Total (A)	Nil					Nil	[●]
b) As the sole holder of equity shares							
December 08, 1980	212	Further Issue	Cash	100	100	Negligible ^s	[●]
December 24, 1987	350	Further Issue	Cash	100	100	Negligible ^s	[●]
July 31, 1990	615	Further Issue	Cash	100	100	Negligible ^s	[●]
December 18, 1990	785	Bonus Issue	NA	100	NIL	Negligible ^s	[●]
July 11, 1996	(350)	Transfer to Hemant Tukaram Mondkar HUF	Cash	100	100	Negligible ^s	[●]
June 03, 2003	7,000	Further Issue	Cash	100	100	0.01%	[●]
April 07, 2004 [#]	807	Transfer from Siraj Gangardiwala	Cash	100	100	Negligible ^s	[●]
April 07, 2004 [#]	193	Transfer from Zehra Siraj Gangardiwala	Cash	100	100	Negligible ^s	[●]
February 14, 2008	3,720	Allotment pursuant to scheme of amalgamation	Other than cash	100	-	Negligible ^s	[●]
February 28, 2008	3,125	Allotment	Cash	100	800	Negligible ^s	[●]
March 18, 2009	375	Allotment	Cash	100	800	Negligible ^s	[●]
September 02, 2015	350	Transfer from Hemant Tukaram Mondkar HUF	Other than cash	100	NIL	Negligible ^s	[●]
December 26, 2020	7,819	Transfer from Jayant Mondkar	Other than cash	100	NIL	0.01%	[●]

Date of Allotment/ Transfer/ when made fully paid up *	Number of equity shares	Nature of transaction	Nature of consideration	Face value per equity share (₹)	Issue/ acquisition/ sale price per equity share (₹)**	% of pre-Offer equity share capital	% of post Offer equity share capital
December 26, 2020	740	Transfer from Jayant Mondkar jointly with Neela Jayant Mondkar	Other than cash	100	NIL	Negligible ^s	[●]
Sub-division of 25,741 equity shares of face value of ₹ 100/- each to 257,410 equity shares of face value of ₹ 10/- each, with effect from February 07, 2022.							
July 23, 2024	(500)	Transfer to Sunil Satwani	Cash	10	2,700	Negligible ^s	[●]
October 30, 2024	1000	Transfer from Raju Ganpatasa Meharwade	Cash	10	2710	Negligible ^s	[●]
November 27, 2024	500	Transfer from Sachin Jaybhaye	Cash	10	2100	Negligible ^s	[●]
December 12, 2024	(500)	Transfer to Sanjay Jadhav	Cash	10	3,000	Negligible ^s	[●]
December 12, 2024	(500)	Transfer to Nikhil Balasaheb Borawake	Cash	10	3,000	Negligible ^s	[●]
December 12, 2024	(500)	Transfer to Sujit N Chaudhari	Cash	10	3,000	Negligible ^s	[●]
December 12, 2024	(500)	Transfer to Hanamant Kaka Mali	Cash	10	3,000	Negligible ^s	[●]
December 12, 2024	(500)	Transfer to Jeevan Murlidhar Ahirrao	Cash	10	3,000	Negligible ^s	[●]
December 13, 2024	(500)	Transfer to Makarand Madhusudan Joshi	Cash	10	3,000	Negligible ^s	[●]
December 26, 2024	(500)	Transfer to Sandeep Manohar Rane	Cash	10	3,000	Negligible ^s	[●]
December 26, 2024	(500)	Transfer to Sunil Satwani	Cash	10	3,000	Negligible ^s	[●]
Sub-division of 254,410 equity shares of face value of ₹ 10 each to 508,820 equity shares of face value of ₹ 5 each, with effect from February 06, 2025.							
February 08, 2025	5,6479,020	Bonus Issue	NA	05	-	68.22%	[●]
July 23, 2025	(2,850,000)	Transfer to Ashwin Mondkar	Cash	05	14.33	3.41%	[●]
Sub-Total (B)	54,137,840					64.81%	[●]
Total (A+B)	54,137,840					64.81%	[●]
II. Surekha Hemant Mondkar ⁽²⁾							
a) Surekha Hemant Mondkar (Jointly with Hemant Tukaram Mondkar)							
June 27, 1996 [#]	67	Transfer from Anil Narsinbhai Patel	Cash	100	100	Negligible ^s	[●]
June 27, 1996 [#]	216	Transfer from Bhargavi Anil Patel	Cash	100	100	Negligible ^s	[●]
June 27, 1996 [#]	417	Transfer from Nayana Patel	Cash	100	100	Negligible ^s	[●]
February 14, 2008	720	Allotment pursuant to scheme of amalgamation	Other than Cash	100	-	Negligible ^s	[●]
January 22, 2021	7,838	Transfer from Surekha Hemant Mondkar	Other than Cash	100	Nil	0.01%	[●]

Date of Allotment/ Transfer/ when made fully paid up *	Number of equity shares	Nature of transaction	Nature of consideration	Face value per equity share (₹)	Issue/ acquisition/ sale price per equity share (₹)**	% of pre-Offer equity share capital	% of post Offer equity share capital
Sub-division of 9,258 equity shares of face value of ₹100 each to 92,580 equity shares of face value of ₹10 each, with effect from February 07, 2022.							
Sub-division of 92,580 equity shares of ₹10 each to 1,85,160 equity shares of face value of ₹5 each, with effect from February 06, 2025							
February 08, 2025	20,552,760	Bonus Issue	NA	05	-	24.60%	[●]
Sub-Total (C)	20,737,920					24.83%	[●]
b) As the sole holder of equity shares							
May 22, 1987	185	Transfer from Navinchandra Botadra	Cash	100	100	Negligible ^s	[●]
May 22, 1987	72	Transfer from Neeta Navindchandra Botadra	Cash	100	100	Negligible ^s	[●]
May 22, 1987	30	Transfer from Bhupendra Manilal Botadra	Cash	100	100	Negligible ^s	[●]
May 22, 1987	80	Transfer from Usha Harsukh Bhai Botadra	Cash	100	100	Negligible ^s	[●]
December 24, 1987	256	Further Issue	Cash	100	100	Negligible ^s	[●]
December 18, 1990	415	Bonus Issue	NA	100	NA	Negligible ^s	[●]
June 03, 2003	3,500	Further Issue	Cash	100	100	0.01%	[●]
February 14, 2008	800	Allotment pursuant to Scheme of Amalgamation	Other than Cash	100	-	0.01%	[●]
February 28, 2008	2,125	Further Issue	Cash	100	800	0.01%	[●]
March 18, 2009	375	Further Issue	Cash	100	800	0.01%	[●]
January 22, 2021	(7,838)	Transfer to Surekha Hemant Mondkar Jointly with Hemant Tukaram Mondkar	Other than Cash	100	Nil	0.01%	[●]
Sub-Total (D)	Nil					Nil	
Total (C+D)	20,737,920					24.83%	[●]
III. Ashwin Hemant Mondkar⁽³⁾							
a) Ashwin Hemant Mondkar (Jointly with Hemant Tukaram Mondkar)							
June 27, 1996	400	Transfer from Anil Narsinhbhai Patel	Cash	100	100	Negligible ^s	[●]
August 24, 2004	408	Transfer from Rajendra Shantilal Patel	Cash	100	100	Negligible ^s	[●]
August 24, 2004	408	Transfer from Pankaj Shantilal Patel	Cash	100	100	Negligible ^s	[●]
April 03, 2012	(1,216)	Transfer to Darshan Hemant Mondkar	Other than cash	100	Nil	Negligible ^s	[●]
Sub-Total (E)	Nil					Nil	[●]
b) As a sole holder of equity shares							
February 14, 2008	720	Allotment pursuant to scheme of amalgamation	Other than Cash	100	-	Negligible ^s	[●]

Date of Allotment/ Transfer/ when made fully paid up *	Number of equity shares	Nature of transaction	Nature of consideration	Face value per equity share (₹)	Issue/ acquisition/ sale price per equity share (₹)**	% of pre- Offer equity share capital	% of post Offer equity share capital
April 03, 2012	(720)	Transfer of shares to Darshan Mondkar	Other than Cash	100	Nil	Negligible [§]	[●]
December 28, 2021	1,842	Preferential Allotment	Cash	100	13,550	Negligible [§]	[●]
Sub-division of 1,842 equity shares of face value of ₹ 100 each to 18,420 equity shares of face value of ₹10 each, with effect from, February 07, 2022							
Sub-division of 18,420 equity shares of face value of ₹ 10 each to 36,840 equity shares of face value of ₹5 each, with effect from, February 06, 2025							
February 08, 2025	4,089,240	Bonus Issue	NA	05	NA	4.94%	[●]
July 23, 2025	2,850,000	Transfer from Hemant Tukaram Mondkar	Cash	05	14.33	3.41%	[●]
Sub-Total (F)	6,976,080					8.35%	[●]
Total (E+F)	6,976,080					8.35%	[●]
Grand Total (A+B+C+D+E+F)	81,851,840					97.99%	[●]

* All the Equity Shares held by our Promoter were fully paid up as on the respective dates of acquisition of such Equity Shares.

** Cost of acquisition excludes stamp duty

§ Less than 0.01%.

Share transfer forms with respect to the transfers dated June 27, 1996 and April 07, 2004 are not traceable in the records of the Company. For further details with respect to missing records, see “Risk Factor 16 - We are unable to trace some of our historical records and regulatory filings by our Company. Further, there have been certain inadvertent errors or inaccuracies in the filings made with RoC. We cannot assure you that legal proceedings or regulatory actions will not be initiated against us in the future, which could adversely affect our financial condition and reputation.” on page 44.

ii. Details of Lock-in of Equity Share capital:

a. Promoters’ Contribution locked-in for three years

Pursuant to Regulation 14 and 16 of the SEBI ICDR Regulations, an aggregate of at least 20% of the post-Offer Equity Share Capital of our Company held by our Promoters shall be considered as minimum promoters’ contribution and shall be locked-in for a period of three (3) years from the date of Allotment as the majority of the Net Proceeds are proposed to be utilized for capital expenditure, (“**Promoters’ Contribution**”). The lock-in of the Promoters’ Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchanges before listing of the Equity Shares. Our Promoter’s shareholding in excess of 20% of the fully diluted post-Offer equity share capital of our Company shall be locked in for a period of one year from the date of Allotment.

All Equity Shares held by our Promoters are eligible for Promoters’ Contribution, pursuant to Regulation 15 of the SEBI ICDR Regulations.

Our Promoters have consented to the inclusion of such number of the Equity Shares held by them, in aggregate, as may constitute 20% of the post-Offer equity share capital of our Company as Promoters’ Contribution and have agreed not to sell, charge or transfer or pledge or otherwise dispose of in any manner, the Promoters’ Contribution, for a period of three (3) years from the date of allotment in the Offer.

The below Equity Shares proposed to form part of Promoters’ Contribution subject to lock-in shall not be disposed of/ sold/ transferred by our Promoters during the period starting from the date of filing this Draft Red Herring Prospectus with the Stock Exchanges until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

Accordingly, Equity Shares aggregating to 20% of the post-Offer capital of our Company, held by our Promoters shall be locked-in for a period of three (3) years from the date of Allotment in the Offer as follows:

Date on which the Equity Shares were Allotted/ made fully paid up/Acquired	No. of Equity Shares locked-in*	Face Value Per Equity Shares (₹)	Issue/ Acquisition Price Per Share (₹)	Nature of transaction	% of post-Offer Equity Share capital**	Period of Lock-in	Date up to which the Equity Shares subject to lock
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

Note: To be updated at the Prospectus stage

*All the Equity Shares were fully paid up on the respective dates of allotment or acquisition as the case may be, of such Equity Shares

**Subject to finalization of Basis of Allotment

The Equity Shares that are being locked are eligible for computation of Promoters' Contribution under Regulation 15 of the SEBI ICDR Regulations. In this respect, we confirm the following:

- the Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years: (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) resulting from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or resulted from bonus issue against Equity Shares which are otherwise ineligible for computation of Promoters' Contribution;
- the Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company;
- the Equity Shares forming part of the Promoters' Contribution are not subject to any pledge with any creditor; and
- all the Equity shares held by our Promoters are held in dematerialised form.

b. Details of Equity Shares Locked-in for six months

In terms of Regulation 17 of the SEBI ICDR Regulations, except for the Promoters' Contribution which shall be locked in accordance with Regulation 16 of the SEBI ICDR Regulations as detailed above. The entire pre-Offer Equity Share capital of our Company shall be locked-in for a period of six months from the date of Allotment in the Offer or such other period as may be prescribed under the SEBI ICDR Regulations. In terms of Regulation 17(c) of the SEBI ICDR Regulations, Equity Shares held by a venture capital fund or alternative investment fund of category I or category II or a foreign venture capital investor shall not be locked-in for a period of six months from the date of Allotment, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholders.

c. Lock-in of Equity Shares Allotted to Anchor Investors

50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

d. Other requirements in respect of lock-in

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

- (i) With respect to the Equity Shares locked-in for 1 year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
- (ii) With respect to the Equity Shares locked-in as Promoters' Contribution for 3 years from the date of Allotment, the loan must have been granted for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in in terms of Regulation 16 of the SEBI ICDR Regulations, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in, in the hands of such transferee, for the remaining period and compliance with provisions of the Takeover Regulations, as applicable. Further, Equity Shares of face value of ₹5 each held by persons other than our Promoters prior to the Offer and locked-in for a period of six months, may be transferred to any other person holding Equity Shares of face value of ₹5 each which are locked in along with the Equity Shares of face value of ₹5 each proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations.

Our Promoters have agreed not to transfer, create any pledge or any other type of encumbrance on the Promoter's contribution from the date of filing the Draft Red Herring Prospectus, until the expiry of the lock-in specified above, or for such other time as required under the SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

- e. We further confirm that our Promoters' Contribution of 20.00% of the post-Offer Equity Share capital does not include any contribution from Alternative Investment Fund, Foreign Venture Capital Investors, Scheduled Commercial Banks, Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India.

10. As on the date of this Draft Red Herring Prospectus, our Company has 11 (Eleven) shareholders.

11. Details of the Pre and Post Offer shareholding of our Promoter, members of our Promoter Group, Key Managerial Personnel, Senior Managerial Personnel and Promoter Selling Shareholders:

Our Promoters and Promoter Group holds 97.99% of the Pre-Offer Equity Share Capital of our Company.

- (i) Except as stated below, our Promoters and the members of our Promoter Group do not hold any Equity Shares in our Company as on date of this Draft Red Herring Prospectus.

Particulars	Pre-Offer		Post-Offer#	
	Number of Equity Shares	Percentage (%) holding	Number of Equity Shares	Number of Equity Shares
Promoters				
Hemant Tukaram Mondkar*	54,137,840	64.81%	[●]	[●]

Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar*	20,737,920	24.83%	[●]	[●]
Ashwin Hemant Mondkar	6,976,080	8.35%	[●]	[●]
Total	81,851,840	97.99%	[●]	[●]

*Also the Promoter Selling Shareholders

To be updated in the Prospectus

- (ii) Except as stated below, as on the date of this Draft Red Herring Prospectus, none of the Directors, Key Managerial Personnel and members of Senior Management of our Company hold any Equity Shares of our Company.

Particulars	Pre-Offer		Post-Offer#	
	Number of Equity Shares	Percentage (%) holding	Number of Equity Shares	Percentage (%) holding
Directors				
Hemant Tukaram Mondkar	54,137,840	64.81	[●]	[●]
Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar	20,737,920	24.83	[●]	[●]
Ashwin Hemant Mondkar	6,976,080	8.35	[●]	[●]
Sub-Total (A)	81,851,840	97.99	[●]	[●]
Key Managerial Personnel@				
Sunil Satwani	224,000	00.27	[●]	[●]
Sub-Total (B)	224,000	00.27	[●]	[●]
Senior Managerial Personnel				
Nikhil Balasaheb Borawake	224,000	00.27	[●]	[●]
Sandeep Manohar Rane	336,000	00.40	[●]	[●]
Sub-Total (C)	560,000	00.67	[●]	[●]
Grand Total (A+B+C)	82,635,840	98.93	[●]	[●]

To be updated in the Prospectus

@ Excluding Hemant Tukaram Mondkar

12. None of the Equity Shares held by our Promoters and the members of our Promoter Group are pledged or otherwise encumbered.
13. Except as disclosed in “Our Management – Shareholding of the Directors” and “Our Management – Shareholding of the Key Managerial Personnel and Senior Management” on page 209 and 218 respectively, none of the Directors, Key Managerial Personnel or Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus.
14. Except as disclosed in “Build-up of the Promoters’ Contribution” on page 96 none of our Promoters, members of the Promoter Group, Directors of our Company or their relatives have purchased or sold any Equity Shares during a period of six months preceding the date of this Draft Red Herring Prospectus.
15. There are no financing arrangements whereby the Promoters, members of our Promoter Group, the Directors of our Company or their relatives have financed the purchase by any other person of securities of the Issuer during the period of 6 (six) months immediately preceding the date of filing the Draft Red Herring Prospectus.
16. Our Company, our Directors and the BRLM have not entered into any buy-back arrangement for purchase of the Equity Shares being offered through the Offer.
17. The Equity Shares are fully paid-up and there are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus. Since the entire Offer price per share is being called up on application, all the successful Applicants will be allotted fully paid-up Equity Shares.

18. The BRLM or its associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus.
19. Except as disclosed in “*Capital Structure – Notes on the Capital Structure*” on page 87, our Company has not made any preferential issue or rights issue of any kind or class of securities since its incorporation.
20. For details of price of acquisition of specified securities by our Promoters, members of the Promoter Group, Promoter Selling Shareholders in the last three years preceding the date of this Draft Red Herring Prospectus, see “*Summary of the Offer Document – Details of price at which specified securities were acquired by our Promoters, members of the Promoter Group, Promoter Selling Shareholders and other Shareholders entitled with the right to nominate directors or other rights in the last three years preceding the date of this Draft Red Herring Prospectus*” on page 30.
21. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments, financial instruments or any other rights which would entitle Promoters or any Shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.
22. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus until the Equity Shares to be issued pursuant to the Offer have been listed.
23. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person to an option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.
24. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
25. There are no Equity Shares against which depositories receipts have been issued.
26. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
27. Our Company shall comply with such disclosure and accounting norms as may be specified by stock exchange, SEBI and other regulatory authorities from time to time.
28. Our Promoters and members of the Promoter Group shall not participate in the Offer, except to the extent of the sale of offered shares by way of Offer for Sale.
29. This Offer is being made through Book Building method.
30. The BRLM, our Company, members of the Syndicate, our Directors, our Promoters, our Promoter Group and/ or any person connected with the Offer shall not offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant, for making an Application.
31. As on the date of this Draft Red Herring Prospectus, our Company does not have an employee stock option scheme or stock appreciation rights scheme.
32. There are no safety net arrangements for this Offer.
33. The issuance of Equity Shares since incorporation until the date of this Draft Red Herring Prospectus, by our Company has been undertaken in accordance with the provisions of the Companies Act, as to the extent applicable.

34. All transactions in Equity Shares by our Promoters and members of the Promoter Group, if any, between the date of filing of the Draft Red Herring Prospectus and the Offer Closing Date will be reported to the Stock Exchanges within 24 hours of such transactions being completed.
35. None of the Shareholders of our Company are directly or indirectly related to the BRLM or its associates.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to [●] Equity Shares of face value of ₹ 5 each, aggregating up to ₹ 700.00 million by our Company and an Offer for Sale of up to 11,933,120 Equity Shares of face value of ₹ 5 each aggregating up to ₹ [●] million by the Promoter Selling Shareholders. For details, see “*Summary of the Offer Document*” and “*The Offer*” beginning on pages 24 and 73, respectively.

Offer for Sale

Name of the Promoter Selling Shareholder	Number of Offered Shares/ Amount
Hemant Tukaram Mondkar	Up to 7,500,000 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million
Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar	Up to 4,433,120 Equity Shares of face value of ₹5 each aggregating up to ₹[●] million

Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. The Promoter Selling Shareholders will be entitled to their respective portion of the proceeds of the Offer for Sale, after deducting their respective portion of the Offer related expenses and relevant taxes thereon. For further details, see “– *Offer related expenses*” on page 117117.

Fresh Issue

Requirement of funds

Our Company proposes to utilize the Net Proceeds towards funding the following objects:

1. Funding the capital expenditure requirements towards procurement of machinery and equipment for expansion at Kavathe Unit, Shirwal Unit and Pithampur Unit-I;
2. Repayment or prepayment, in full or in part, of certain outstanding borrowings availed by our Company; and
3. General corporate purposes

(collectively, the “**Objects**”)

In addition to the above Objects, we expect to receive the benefits of listing of the Equity Shares on the Stock Exchanges, including enhancement of Company’s brand name and creation of a public market for our Equity Shares in India.

The main objects clause and objects incidental and ancillary to the main objects clause as set out in the Memorandum of Association enables us (i) to undertake our existing business activities; (ii) to undertake the activities proposed to be funded from the Net Proceeds; and (iii) to undertake the activities towards which the loans proposed to be repaid and/or pre-paid from the Net Proceeds were utilized.

Net Proceeds

The details of the Net Proceeds of the Offer are summarized in the table below:

Particulars	Estimated Amount (₹ in million)
Gross Proceeds of the Fresh Issue	700.00
(Less) Estimated expenses in relation to the Fresh Issue ⁽¹⁾⁽²⁾	[●]
Net Proceeds ⁽¹⁾	[●]

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

⁽²⁾ For details of the expenses related to the Offer, see “– Offer related expenses” on page 117.

Our Board, at its meeting held on September 4, 2025 approved the proposed objects of the Offer and the respective amounts proposed to be utilized from the Net Proceeds for each object. See “Material Contracts and Documents for Inspection – Material Documents” on page 414.

Utilization of Net Proceeds

The Net Proceeds are proposed to be utilised in accordance with the details provided in the following table: The details of the Net Proceeds of the Offer are summarized in the table below:

Particulars	Estimated Amount ^{(1)@} (₹ in million)
Funding capital expenditure requirement of our Company towards procurement of machinery and equipment for expansion at Kavathe Unit, Shirwal Unit and procurement Pithampur Unit-I	319.86
Prepayment or repayment, in full or in part, of certain outstanding borrowings availed by our Company	180.00
General corporate purposes ^{(1) (2)}	[●]
Total^{(1) (2)}	[●]

⁽¹⁾ To be finalized upon determination of the 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.

@ Exclusive of applicable goods and service tax.

Proposed schedule of implementation and deployment of Net Proceeds

We intend to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as follows:

(₹ in million)

Particulars	Total estimated cost	Estimated utilization from Net Proceeds	Estimated schedule of deployment of Net Proceeds in	
			Fiscal 2026	Fiscal 2027
Funding capital expenditure requirement of our Company towards procurement of machinery and equipment for expansion at Kavathe Unit, Shirwal Unit and Pithampur Unit-I	319.86	319.86	50.00	269.86
Prepayment or repayment, in full or in part, of certain outstanding borrowings availed by our Company	180.00	180.00	180.00	-
General corporate purposes ^{(1) (2)}	[●]	[●]	[●]	[●]
Total Net Proceeds ⁽¹⁾	[●]	[●]	[●]	[●]

⁽¹⁾ To be finalized upon determination of the 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

The fund requirement, the deployment of funds and the intended use of the Net Proceeds as indicated above are based on our management estimates, prevailing market conditions and other external commercial and technical factors including interest rates. Further, in relation to the funding capital expenditure requirement of our Company towards procurement of machinery and equipment for expansion at Kavathe Unit, Shirwal Unit and Pithampur Unit-I, the costs have been estimated basis the valid quotations obtained from various third-party vendors and the certificate dated September 3, 2025 issued by Nandkishor P. Kalekar, Independent Chartered Engineer, which are subject to change.

Our Company may decide to accelerate the estimated deployment of Net Proceeds ahead of the schedule of implementation specified above. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular Object vis-à-vis the utilization of Net Proceeds. Further, the deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. We may also have to revise our funding requirements and deployment of the Net Proceeds from time to time on account of business and strategy and other external factors such as such as, change in cost, financial

and market conditions, demand for our products, change in technology, our management's analysis of economic trends and business requirements, competitive landscape as well as general factors affecting our results of operations, financial condition, access to capital, business and strategy, delay in procuring and operationalizing assets, obtaining necessary licenses and approvals or other external factors, which may not be within the control of our management. This may entail changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. For details, see "*Risk Factor 33 - There can be no assurance that the objects of the Offer will be achieved within the time frame anticipated or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.*" on page 54.

In case of any surplus after utilization of the Net Proceeds towards the aforementioned capital expenditure requirements, we may use such surplus towards general corporate purposes, provided that the total amount to be utilized towards general corporate purposes does not exceed 25% of the Gross Proceeds from the Fresh Issue in accordance with applicable law. Further, in case of any variations in the actual utilisation of funds earmarked towards funding of our proposed Objects as set forth above, then any increased fund requirements for a particular object may be financed by surplus funds, if any, available in respect of the other objects for which funds are being raised in this Offer, subject to utilisation towards general corporate purposes not exceeding 25% of the Gross Proceeds from the Fresh Issue. Subject to applicable laws, in the event of any increase in the actual requirement of funds earmarked for the purposes set forth above, such additional fund requirement will be met by our Company by exploring a range of options available to us, including utilising our internal accruals, additional equity funding and/or seeking additional debt from existing and future lender.

Means of finance

The fund requirements towards the Objects detailed above are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and internal accruals as required under the SEBI ICDR Regulations. In case of a shortfall in the Net Proceeds or any increase in the actual utilization of funds earmarked for Objects, our Company may explore a range of options including utilizing our internal accruals or availing additional debt for capital expenditure.

Our Company may, from the date of the filing of the Draft Red Herring Prospectus till the date of listing of Equity Shares on Stock Exchanges(s), spend certain amount towards the Objects. If such amount is incurred, it will be spent from the internal accruals of our Company, and same shall be recouped out of the Net Proceeds.

Details of the Objects

Our Board at its meeting held on September 4, 2025 has approved the Objects of the Offer and the respective amounts proposed to be utilized from the Net Proceeds for each Object. The details of each of the Objects of the Offer are as below:

1. Funding capital expenditure requirement of our Company towards procurement of machinery and equipment for expansion at Kavathe Unit, Shirwal Unit and Pithampur Unit-I

The increasing adoption of technologically advanced machines across various industries such as agriculture, construction, material handling, and aerospace is expected to drive growth in the hydraulic fittings market. In India, the hydraulic fittings market has grown at a CAGR of 7.7% between CY19 and CY24 and is projected to expand at a higher CAGR of 10.4% from CY24 to CY30. (Source: CARE Report)

As on the date of this Draft Red Herring Prospectus, we operate six operating Manufacturing Facilities, out of which four are located in Maharashtra and two in Madhya Pradesh, with a combined annual installed capacity of 455 lakh pieces per annum (for hydraulic fittings) and 3,120 MTPA (for forging) as on March 31, 2025, covering a total area of approximately 32,886.86 square meters, as of March 31, 2025. Set out below are brief details of our Manufacturing Facilities:

Location	Capability	Total Area (in sq. mtrs.)	Installed Capacity as on March 31, 2025
Thane, Maharashtra	Hydraulic Fittings	1,326.86	35.00 lakh pieces p.a.
Pithampur, Madhya Pradesh	Hydraulic Fittings	4,217.00	48.00 lakh pieces p.a.
Pithampur, Madhya Pradesh	Hydraulic Fittings	1,394.00	48.00 lakh pieces p.a.
Shirwal, Satara, Maharashtra	Hydraulic fittings	12,350.00	144.00 lakh pieces p.a.
Kavathe, Satara, Maharashtra	Hydraulic fittings	12,799.00	180.00 lakh pieces p.a.
Nashik, Maharashtra*	Forged Metal Parts	800.00	3,120.00 metric tons p.a.

*Majority of the products forged at this Unit are utilized by us for captive consumption.

All our Manufacturing Facilities, except the Nashik Unit, are engaged in the manufacturing of hydraulic fittings. Our Nashik Unit operates as a forging facility and forms an integral part of our backward integration strategy, enabling us to strengthen our control over the supply chain and enhance manufacturing efficiency.

Our units are supported by necessary infrastructure for storage of raw materials, manufacturing of our products, storage of finished goods, together with quality control measures. Our units are strategically located in the western and central part of the country with availability of all modes of transportation and facilitates convenient transportation of our products, sourcing of raw materials and easy access to customers.

Our manufacturing facilities exhibit varying capacity utilization. To capitalize on growth opportunities, we plan to allocate capital expenditure towards expanding our Kavathe Unit, Shirwal Unit, and Pithampur Unit-I. This investment will focus on acquiring new manufacturing machinery, testing equipment, vertical storage systems, upgrading plating plants, and installing solar power plants at these units.

Our capital expenditure strategy focuses on strategic investments across key areas: advanced manufacturing machinery, precision testing equipment, efficient vertical storage systems, plating plant upgrades, and solar power plant installations. These investments are designed to significantly enhance our operational efficiency, boost productivity, and strengthen our commitment to sustainable practices. A key component of our capital expenditure is the acquisition of advanced Computer Numerical Control (CNC) machines for our Kavathe Unit, Shirwal, Unit, and Pithampur Unit-I. CNC machining is essential for achieving the precise dimensions, intricate designs, and high accuracy required by our product specifications. This strategic investment will directly support our expansion initiatives, ensuring we meet increasing product demand while upholding our stringent quality and precision standards. To reinforce our commitment to quality, we are investing in advanced testing capabilities. This includes the acquisition of test machines, test benches, and metallurgical equipment for our Shirwal Unit, Kavathe Unit, and Pithampur Unit-I, ensuring rigorous product testing throughout our manufacturing process. To efficiently manage inventory and meet anticipated demand, we will implement vertical storage systems at our Pithampur Unit-I and Shirwal Unit. These systems will optimize storage capacity, ensuring timely product fulfillment. To enhance the corrosion resistance, durability, and surface finish of our components, we will establish a dedicated plating plant at our Pithampur Unit. We intend to invest in a solar power plant for our Pithampur Unit-I. This investment will reduce our energy expenses and minimize our carbon footprint.

Set out below are the details of our existing installed capacity as well as capacity expansion that we propose to undertake at our aforesaid Manufacturing Facilities, assuming installation of the machinery and equipment to be purchased from the Net Proceeds of the Fresh Issue:

(Pieces in lakhs per annum, except percentage)

Particulars	Existing Installed Capacity as on March 31, 2025	Proposed Additional Capacity	Enhanced Capacity	Percentage of Increase in Installed Capacity (%)
Shirwal Unit	144.00	120.00	264.00	83.33%
Kavathe Unit	180.00	96.00	276.00	53.33%
Pithampur Unit-I	48.00	72.00	120.00	150.00%

*As certified by Nandkishor P. Kalekar, Independent Chartered Engineer, by certificate dated September 3, 2025

Note:

The total installed capacity post expansion is subject to the Company being able to successfully install, commission and implement its capacity expansion plans.

We have in the past invested towards capital expenditure (i.e. gross additions) in order to expand our manufacturing capabilities across our Manufacturing Facilities. Our capital expenditure (i.e. gross additions) as a percentage of total revenue from operations for the Fiscals 2025, 2024 and 2023 were as follows:

Particulars	FY 2025		FY 2024		FY 2023	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Capital Expenditure	301.77	18.70	359.95	26.13	166.81	12.51

Our Board in its meeting held on September 4, 2025, approved an amount of ₹319.86 million for the purpose of funding the proposed capital expenditure as stated herein above from the Net Proceeds. Our Company has received quotations from various vendors for the proposed capital expenditure and is yet to place any orders or enter into definitive agreements for purchase of machinery / equipment. Our total estimated cost of purchase of machinery / equipment as estimated by our management and based on the valid quotations received from various vendors is ₹304.63 million. We have estimated contingency cost of ₹ 15.23 million i.e., 5% of total costs towards unforeseen circumstances and/or costs that cannot be reliably estimated at this stage. Accordingly, we intend to utilise ₹319.86 million out of the Net Proceeds for the purchase of machinery / equipment, and the remaining expenses shall be met from our internal accruals. An indicative list of such machinery / equipment that we intend to purchase, along with details of the quotations we have received in this respect is set forth below:

S No	Particulars	Price per Unit (₹ in million)	Quantity	Total amount (₹ in million) ⁽¹⁾	Amount to be funded from Net Proceeds (₹ in million)	Vendor, Date, Reference Number and Validity
Kavathe Unit						
1.	CNC Turning Centre Model – Ck640 Slant Servo	0.95	20	19.00	19.00	Vendor: Realtech Engineering Date: July 12, 2025 Reference: RT_Mcquote_0725-851 Validity: 90 days
2.	Thread Rolling Machine Model MTR-15 with Standard Equipment and Electricals	1.28	3	3.83	3.83	Vendor: MTE Industries Pvt. Ltd. Date: July 15, 2025 Reference: MTEIPL/QT/1149 Validity: 90 days
3.	75 kW Induction Billet Heating Equipment with Accessories	3.38	1	3.38	3.38	Vendor: Inductotherm (India) Pvt. Ltd. Date: July 17, 2025 Reference: QEHW25379 Validity: 90 days
4.	CNC Turning Machine - Tsugami Make Cnc Lathe Model Mi08j-II with Standard Accessories	2.43	10	24.32	24.32	Vendor: Tsugami Precision Engineering India Private Limited Date: July 17, 2025 Reference: QT-126790/1 Validity: 90 days
5.	Electric Generating Set	7.91	1	7.91	7.91	Vendor: Powerica Limited Date: July 18, 2025 Reference: PUN/18/7/25/PRA/LST Validity: 90 days
6.	CNC Vertical Machining Center Model: 540V Fanuc	2.34	1	2.34	2.34	Vendor: Ace Designers Ltd (Ace Manufacturing Systems Ltd) Date: July 18, 2025 Reference: ACE-12/2025 Validity: 30 days

S No	Particulars	Price per Unit (₹ in million)	Quantity	Total amount (₹ in million) ⁽¹⁾	Amount to be funded from Net Proceeds (₹ in million)	Vendor, Date, Reference Number and Validity
7.	Computerised Test Bench (Hydrostatic Test Unit)	2.10	1	2.10	2.10	Vendor: NewRay Engineering Date: July 11, 2025 Reference:NRE/HTPL/25/2526 Validity: 90 days
8.	Smarturn CNC Lathe - Fanuc with standard features and accessories	1.88	10	18.80	18.80	Vendor: LMW Limited (formerly Lakshmi Machine Works Limited) Date: July 18, 2025 Reference: 435881/6727/S1 Validity: 90 days
9.	5 Cu. Ft. (27" X 36") Tumblast Type Shot Penning Blasting Machine.	1.85	1	1.85	1.85	Vendor: Jignesha Engineering Works Date: July 21, 2025 Reference: JEW/B/114/25-26 Validity: 90 days
10.	HCG-100 Centerless Grinding Machine	1.16	2	2.32	2.32	Vendor: Bhagwansons Centerless Ginders Date: July 19, 2025 Reference: BSC/25-26/G080 Validity: 90 days
Shirwal Unit						
1.	QT Intelligent Evaporator System Gen 6_ 1.0 KLPD	3.88	1	3.88	3.88	Vendor: Global Envirotech Date: July 11, 2025 Reference: GEEPL/QTN/110/RO2/PM Validity: 90 days
2.	Thread Rolling Machine Model MTR-15 with Standard Equipment and Electricals	1.28	2	2.25	2.25	Vendor: MTE Industries Pvt. Ltd. Date: July 15, 2025 Reference: MTEIPL/QT/1150 Validity: 90 days
3.	Metallurgical Equipments - 1	3.43	1	3.43	3.43	Vendor: Chennai Metco Date: July 16, 2025 Reference: CMPL/PS/HE /2425-94R5 Validity: 90 days
4.	Impulse Test Stand Bi1001 K-Evo (Testing Machine)	15.43 ⁽²⁾	1	15.43	15.43	Vendor: Test Industry S.R.L. & Bimal Site Date: July 16, 2025 Reference: N° 654/2024 R02 Validity: 200 days
5.	CNC Turning Machine - Tsugami Make CNC Lathe Model Mi08j-II with Standard Accessories	2.43	20	48.64	48.64	Vendor: Tsugami Precision Engineering India Private Limited Date: July 17, 2025 Reference: QT-120260/1 Validity: 90 days
6.	Sliding Head A25-Tsugami Make CNC Precision Automatic Lathe Model B0205-III with Standard Accessories	5.54	3	16.63	16.63	Vendor: Tsugami Precision Engineering India Private Limited Date: July 17, 2025 Reference: QT-126793/1 Validity: 90 days
7.	Sliding Head A32-Tsugami Make CNC Precision Automatic	9.09	2	18.17	18.17	Vendor: Tsugami Precision Engineering India Private Limited Date: July 17, 2025

S No	Particulars	Price per Unit (₹ in million)	Quantity	Total amount (₹ in million) ⁽¹⁾	Amount to be funded from Net Proceeds (₹ in million)	Vendor, Date, Reference Number and Validity
	Lathe Model B0i325-III with Standard Accessories					Reference: QT-126795/1 Validity: 90 days
8.	HCG-100 Centerless Grinding Machine	1.16	1	1.16	1.16	Vendor: Bhagwansons Centerless Grinders Date: July 19, 2025 Reference: BSC/25-26/G079 Validity: 90 days
9.	Metallurgical Equipment-2	2.36	1	2.36	2.36	Vendor: Truemet - Om Engineering Instruments Date: July 21, 2025 Reference: OM/Q-11180C/25- 26 Validity: 90 days
10.	Smarturn CNC Lathe - Fanuc with standard features and accessories	1.88	10	18.88	18.88	Vendor: LMW Limited (formerly Lakshmi Machine Works Limited) Date: July 18, 2025 Reference: 435881/6727/S2 Validity: 90 days
11.	Zeiss 3D CNN CMM: Spectrum 7/10/6 verity RDS XXT CR1	7.83	1	7.83	7.83	Vendor: Carl Zeiss India (Bangalore) Pvt. Ltd. Date: July 21, 2025 Reference: 7767042721 Validity: 90 days
12.	Vertical Storage System (V Store)	4.61	2	9.21	9.21	Vendor: Craftsman Automation Ltd. Date: July 16, 2025 Reference: MUM/24-25/AJ/043/R-0 Validity: 90 days
Pithampur Unit-I						
1.	Computerised Test Bench (Testing Machine)	2.10	1	2.10	2.10	Vendor: NewRay Engineering Date: July 11, 2025 Reference: NRE/HTPL/25/2518R1 Validity: 90 days
2.	Thread Rolling Machine Model MTR-15 with Standard Equipment and Electricals	1.28	3	3.83	3.83	Vendor: MTE Industries Pvt Ltd. Date: July 21, 2025 Reference: MTEIPL/QT/1151 Validity: 90 days
3.	CNC Turning Machine - Tsugami Make CNC Lathe Model Mi08j-II with Standard Accessories	2.43	6	14.59	14.59	Vendor: Tsugami Precision Engineering India Private Limited Date: July 17, 2025 Reference: QT-126791/1 Validity: 90 days
4.	Solar PV-Grid interactive-Net metered power plant ⁽³⁾	15.10	1	15.10	15.10	Vendor: Suman Solar systems Date: July 17, 2025 Reference: SSSPL/2025-26/72R1 Validity: 90 days
5.	Automatic Alkaline Zinc Plating Plant	10.20	1	10.20	10.20	Vendor: Welkin Engineering Works Date: July 19, 2025 Reference: WEW/Q/25-26/8050 Validity: 90 Days

S No	Particulars	Price per Unit (₹ in million)	Quantity	Total amount (₹ in million) ⁽¹⁾	Amount to be funded from Net Proceeds (₹ in million)	Vendor, Date, Reference Number and Validity
6.	HCG-100 Centerless Grinding Machine	1.16	2	2.32	2.32	Vendor: Bhagwansons Centerless Grinders Date: July 19, 2025 Reference: BSC/25-26/G081 Validity: 90 days
7.	Smarturn CNC Lathe - Fanuc with standard features and accessories	1.88	10	18.88	18.88	Vendor: LMW Limited (formerly Lakshmi Machine Works Limited) Date: July 18, 2025 Reference: 435881/6727/S3 Validity: 90 days
8.	Vertical Storage system (Vstore)	3.79	1	3.79	3.79	Vendor: Craftsman Automation Limited Date: July 16, 2025 Reference: MUM/24-25/AJ/044/R-0. Validity: 90 days
	Sub-Total	-	-	304.63	304.63⁽⁴⁾	-
	Contingency 5%			15.23	15.23	
	Total			319.86	319.86	

Notes:

- (1) All amounts are exclusive of GST and other applicable taxes
- (2) The quotation has been received in Euro, which has been converted to INR at the conversion rate of ₹ 101.73 as on July 25, 2025.
- (3) The Solar PV-Grid has a capacity of 500KW with net metering provision. No subsidy will be availed by the Company in relation to the Solar PV-Grid interactive-Net metered power plant.
- (4) The Management shall have the flexibility to revise such costs as stated above (due to various reasons including but not limited to change of vendor or any modification/addition/obsolescence of machinery). In such a case, the Management can utilize the surplus of proceeds, if any, to meet such cost, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Offer.

We intend to buy machines which are of updated model. Several of the proposed machines are of the make and from the vendor which we have used in past. Accordingly, in accordance with the certificate dated September 3, 2025 issued by Nandkishor P Kalekar, Independent Chartered Engineer, orders worth upto ₹304.63 million which constitute 100% of the total estimated costs in relation to the purchase of machinery and equipment, are yet to be placed. Further, for risks arising out of the Objects, see “Risk Factor 8 - We are in the process of undertaking certain expansion activities and intend to continue to do so in the future, which may not materialize as expected or at all which in turn may have an adverse impact on our business and financial condition.” on page 40 and “Risk Factor 14 - We have not placed orders in relation to purchase of machineries. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the machineries in a timely manner, or at all, the same may result in time and cost over-runs.” on page 43. Additionally, there may be revision in the final amounts payable towards these quotations pursuant to any taxes or levies payable on such item. If there is any increase in the estimated costs as mentioned above, the additional costs shall be met by contingencies or any means available to us, including internal accruals and additional equity and/or debt arrangements.

The proposed plant and machinery are expected to enhance and diversify our current production capabilities at our aforesaid Manufacturing Facilities, thereby helping us to enhance our offerings to customers, improve operational flexibility and are further expected to be margin accretive. We believe that the proposed capital expenditure will enable us to increase our production capacity, scale our operations, onboard new customers, introduce new products, better serve our existing customers, enable us to better address the business requirements of large customers, further improve our customer service and facilitate our growth strategy. For further details, see “Our Business - Our Business Strategies – Enhancing our manufacturing capabilities” on page 183 of this Draft Red Herring Prospectus.

None of our vendors are a related party to our Promoters, Promoter group, Directors, KMPs, SMPs, Subsidiary, or our Group Companies. We confirm that the Net Proceeds from the Offer, are not being directly or indirectly routed to our Promoters, Promoter Group, Directors, Key Managerial Personnel, members of Senior Management and Group Companies.

Contingency

We have also accounted for an aggregate of ₹ 15.23 million as contingency cost towards unforeseen circumstances and/or costs that cannot be reliably estimated at this stage, that could occur when placing the order for the plant and machinery to various vendors. The actual cost of the equipment may increase due to price inflation, further change in currency exchange rate, change in logistics and any other such reasons beyond our control.

Government Approvals

We confirm that we have received the necessary approvals which required for undertaking the abovementioned capital expenditure at Shirwal Unit, Kavathe Unit and Pithampur Unit-I.

In relation to the proposed expansion, we are required to obtain certain approvals, which are routine in nature, from certain governmental or local authorities, the status of which is provided below as per certificate dated September 3, 2025, issued by Nandkishor P. Kalekar, Independent Chartered Engineer.

S. No.	Particulars	Stage when it is required	Status
1.	Consent to Establish from concerned Pollution Control Board	Before Start of Expansion	Received
2.	Consent to Operate from concerned Pollution Control Board	Before Start of Operation	Yet to apply

Other expenses

If there is any increase in the estimated costs as mentioned above, the additional costs shall be met by contingencies or any means available to us, including internal accruals and additional equity and/or debt arrangements. Some of the quotations mentioned above do not include cost of freight, insurance, goods and services tax (wherever applicable) and other applicable taxes as these can be determined only at the time of placing of orders. Such additional costs shall be met by contingencies or any means available to us, including internal accruals and additional equity and/or debt arrangements.

Bridge Financing

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending upon business requirements, our Company may consider raising bridge financing facilities including by way of any other short-term instrument, which may be repaid from the Net Proceeds.

Other confirmations

All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. Our Company has not entered into any definitive agreements or placed orders with any of these vendors and will do so at an appropriate time. Hence, there can be no assurance that the same vendors would be engaged to supply the equipment or at the same costs at the time of placing such orders. The quantity of equipment to be purchased is based on the present estimates of the management of our Company and the management of our Company shall have the flexibility to deploy/install such equipment according to the business requirements of each of its facilities and based on the estimates of its management and as per applicable laws. Accordingly, the number of units of each machine proposed to be purchased may be varied based on the availability, technological improvements, commercial and logistics, specifications of the machinery or negotiations with the relevant vendors. There can be no assurance that we

would be able to procure equipment at the estimated costs. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates.

No second hand or used machinery is proposed to be purchased out of the Net Proceeds.

Our Manufacturing Facilities where the capital expenditure is proposed are already in operation and their licenses and approvals cover the expected increase in operations from the proposed plant and machinery. While no further critical approvals are required at this stage, we will apply for other routine approvals, if and when required, in due course.

Further, our Promoters, Directors and Key Managerial Personnel do not have any interest in the proposed acquisition of the machinery and equipment or in the entity from whom we have obtained quotations in relation to such proposed acquisition of the machinery and equipment.

2. Prepayment or repayment, in full or in part, of all or a portion of certain outstanding borrowings availed by our Company

Our Company has entered into various borrowing arrangements with banks and financial institutions. For details of these financing arrangements including indicative terms and conditions, see sections titled "*Restated Consolidated Financial Information*" and "*Financial Indebtedness*" on pages 227 and 323, respectively. As on July 31, 2025 our total fund-based and non-fund based outstanding borrowings amounted to ₹340.89 million and ₹82.22 million, respectively.

Our Company intends to utilize an aggregate amount of ₹180.00 million from the Net Proceeds towards repayment/prepayment, in full or part of certain of its outstanding borrowings availed from banks, which constitutes 52.81% of total outstanding borrowings of our Company as on July 31, 2025. None of these credit facilities were overdue or categorized as non-standard assets during the financial year March 31, 2025, March 31, 2024 and March 31, 2023.

Through this repayment, we intend to, inter alia, de-leverage our financial position. The repayment/prepayment, will help reduce our outstanding indebtedness, assist us in achieving a favourable debt-equity ratio, reduce our interest outflow and enable utilisation of some additional amount from our internal accruals for further investment in business growth and expansion, etc. In addition, we believe that any improvement in debt-equity ratio will enable us to raise further resources at competitive rates and additional funds / capital in the future to fund potential business development opportunities and plans to grow and expand our business in the future. Given the nature of these borrowings and the terms of repayment/prepayment, the aggregate outstanding borrowing amounts may vary from time to time. Further, the amounts outstanding under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits.

Further, our Company shall pay the prepayment charges, if any, on the loans identified below, out of the portion of Net Proceeds earmarked for this Object. In the event the Net Proceeds are insufficient for payment of pre-payment penalty or accrued interest, as applicable, such payment shall be made from the internal accruals of our Company. Our Company may repay, in part or full, or refinance part of its existing borrowings prior to the Allotment. We may, from time to time, enter into further financing arrangements and draw down funds thereunder. Accordingly, our Company may utilise the Net Proceeds for part or full pre-payment or scheduled repayment of any such refinanced borrowings or additional borrowings obtained. Further, the amounts outstanding under the borrowings of our Company as well as the sanctioned limits are dependent on several factors and may vary with our Company's business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. However, our Company confirms that the aggregate amount to be utilised from the Net Proceeds towards prepayment and/or scheduled repayment of its borrowings (including re-financed or additional borrowings availed, if any), in part or full, will not exceed ₹180.00 million. There have neither been any delays or defaults by us in relation to the above mentioned borrowings intended to be repaid/prepaid using the Net Proceeds nor has there been any rescheduling/ restructuring of such borrowings.

We may choose to repay / pre-pay certain borrowings availed by us, other than those identified in the table below, which may include additional borrowings we may avail after the filing of this Draft Red Herring Prospectus. Given

the nature of these borrowings and the terms of repayment/pre-payment, the aggregate outstanding borrowing amounts may vary from time to time. In light of the above, at the time of filing the Red Herring Prospectus or Prospectus with the RoC, the details in this chapter shall be suitably updated to reflect the revised amounts or loans as the case may be which have been availed by us. In the event our Board deems appropriate, the amount allocated for estimated schedule of deployment of Net Proceeds in a particular Fiscal may be repaid/ pre-paid in part or full by our Company in the subsequent Fiscal.

The following table provides the details of outstanding amount of borrowings availed by our Company as on July 31, 2025 (“**Cut-Off**”), which we propose to prepay or repay, in full or part, from the Net Proceeds for an aggregate amount of ₹180.00 million:

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S. No.	Name of Lender	Date of sanction letter/ facility agreement	Nature of borrowings	Rate of Interest (% per annum)*	Tenor of Loan (fund based facilities)	Total Sanctioned amount (in ₹ million) (As on Cut-off Date)	Non Fund Based Amount Sanctioned (As on Cut-off Date)	Total Loan outstanding amount as on July 31, 2025 (in ₹ million)	Repayment date / Schedule	Prepayment Penalty/ conditions / terms	Purpose for which loan was sanctioned and utilized*	Amount proposed to be repaid from Net proceeds
1	TJSB Sahakari Bank Ltd.	March 14, 2023 (PRLN-M 185 and FCTL USD 25)	Term Loan in INR	9.50%	120 Months	80.00	-	7.74	March 15, 2023 to February 15, 2033	-	For Property – Kawathe unit	6.00
			Term Loan in USD**	7.14%				54.31				45.00
2	TJSB Sahakari Bank Ltd.	December 2, 2023 (ADVHYP-M 346)	Term Loan	9.50%	96 Months	102.00	-	54.17	December 5, 2023 to November 5, 2031	-	For Plant and Equipment across all units	46.50
3	TJSB Sahakari Bank Ltd.	December 2, 2023 (ADVHYP-M 349)	Term Loan	9.50%	96 Months	110.50	-	95.85	March 7, 2024 to February 2, 2032	-	For Plant and Equipment across all units	80.00
4	TJSB Sahakari Bank Ltd.	May 31, 2021 (ADVHYP-M-317 and FCTL USD 24)	Term Loan in USD**	7.14%	66 Months	80.00	-	7.88	June 28, 2021 to October 28, 2026	-	For Plant and Equipment across all units	2.50
Total												180.00

*In accordance with Clause (9)(A)(2)(b) of Part A of Schedule VI of the ICDR Regulations which requires a certificate from the statutory auditor certifying the utilization of loan for the purpose availed. The loans availed by the Company from the lenders as set above were utilized for the purpose for which such loans were availed.

** The term loan in USD has been converted into INR at an exchange rate of ₹87.60.

As certified by the Statutory Auditor of the Company, G. M. Kapadia & Co., Chartered Accountants, Statutory Auditors, pursuant to their certificate dated September 4, 2025

In the event that there are any prepayment or repayment penalties required to be paid under the terms of the relevant financing arrangements, the amount of such prepayment or repayment penalties shall be paid by us out of our internal accruals. We will take such provisions also into consideration while deciding repayment of loans from the Net Proceeds.

The amounts outstanding against the borrowings disclosed in this chapter may vary from time to time, in accordance with the amounts drawn down, repayment, pre-payment and the prevailing interest rates and other applicable factors. In addition to the above, we may, enter into fresh financing arrangements with banks and financial institutions. In such cases or in case any of the borrowings proposed to be repaid/ pre-paid out of Net Proceeds, are repaid, refinanced or prepaid or further drawn-down or freshly drawdown, within existing limits or enhanced limits, prior to the completion of the Offer, we may utilize the Net Proceeds towards repayment or pre-payment of the additional borrowings.

The selection of borrowings proposed to be prepaid and/or repaid amongst our borrowing arrangements availed will be based on various factors, including (i) cost of the borrowing, including applicable interest rates (ii) any conditions attached to the borrowings restricting our ability to prepay / repay the borrowings and time taken to fulfil, or obtain waivers for fulfilment of such conditions, (iii) receipt of consents for prepayment or foreclosure from the lender, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any laws, rules and regulations governing such borrowings and (vi) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan. The selection of the borrowings proposed to be prepaid and/or repaid as mentioned in the table above, is not determined and our Company may utilize the Net Proceeds to prepay and/or repay the facilities not disclosed above in accordance with commercial considerations, including amounts outstanding at the time of prepayment and/or repayment.

For the purposes of the Offer, our Company has intimated and has obtained necessary consent from its lenders, as is required under the relevant facility documentation. We confirm that the Net Proceeds from the Offer, are not being directly or indirectly routed to our Promoters, Promoter Group, Directors, Key Managerial Personnel, members of Senior Management and Group Companies.

General corporate purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilize Net Proceeds include, but are not restricted to funding growth opportunities, strengthening marketing capabilities and brand building exercises, expenditure, including towards development / refurbishment / renovation of our assets, meeting ongoing general corporate contingencies, expenses incurred in ordinary course of business, meeting our working capital and business requirements, payment of lease liabilities, payment of commission and/or fees to consultants, acquisition of fixed assets, business development initiatives, any of the other Objects, other expenses including salaries, administration, insurance, repairs and maintenance, payment of taxes and duties and any other purpose, as may be approved by our Board or a duly constituted committee thereof from time to time, subject to compliance with applicable law, including provisions of the Companies Act.

The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilizing surplus amounts, if any. In addition to the above, our Company may utilize the balance Net Proceeds towards any other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable law. In the event we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount(s) in the next Fiscals.

Offer related expenses

The total Offer expenses are estimated to be approximately ₹ [●] million. The Offer related expenses primarily include listing fees, fees payable to the BRLM and legal counsel, Registrar to the Offer, Banker(s) to the Offer, fees payable to the Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Banks' fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than (i) the listing fees and stamp duty payable on issue of Equity Shares pursuant to Fresh Issue and audit fees of Statutory Auditors (to the extent not attributable to the Offer), and expenses in relation to product or corporate advertisements, i.e., any corporate advertisements consistent with past practices of our Company (other than the expenses relating to marketing and advertisements undertaken in connection with the Offer), which will be borne solely by our Company; and (ii) stamp duty payable on transfer of the Offered Shares pursuant to the Offer for Sale and fees and expenses which shall be borne solely by the respective Promoter Selling Shareholders, our Company and the Promoter Selling Shareholders agree to share the costs, fees and expenses (including all applicable taxes) relating to the Offer (including fees and expenses of the book running lead manager, legal counsel and other intermediaries, advertising and marketing expenses, printing, the underwriting commissions, procurement commissions, if any, and brokerage and selling commission due to the underwriters and sub-brokers or stock brokers, fees payable to the SCSBs, BRLM, Syndicate Members, legal counsel, Book Building fees and other charges, fees and expenses of the SEBI, the Stock Exchanges and any other Governmental Authority, registrar fees and broker fees (including fees for procuring of applications), bank charges and any other agreed fees and commissions, as applicable, on a *pro rata* basis in proportion to the number of Equity Shares issued and Allotted by our Company through the Fresh Issue and sold by each of the Promoter Selling Shareholders through the Offer for Sale, upon listing of the Equity Shares on the Stock Exchange(s) pursuant to the Offer in accordance with Applicable Law. All the expenses relating to the Offer (except as provided in the Offer Agreement) shall be paid by our Company in the first instance and upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, the Promoter Selling Shareholders agrees that they shall reimburse our Company for any expenses in relation to the Offer paid by our Company on behalf of the Promoter Selling Shareholders.

In the event that, the Offer is withdrawn, abandoned, postponed or not successful or consummated or completed for any reason whatsoever, all Offer related expenses (including but not limited to the costs, charges, fees and reimbursement of the BRLM and the legal counsel in relation to the Offer) which may have accrued up to the date of such withdrawal, abandonment, postponement or failure shall be borne by our Company, and reimbursed by the Promoter Selling Shareholders (in proportion to their respective Offered Shares), unless otherwise required by Applicable Law or written observations issued by any Governmental Authority in relation to the Offer. Further, if a Promoter Selling Shareholder fully withdraws from the Offer or abandons the Offer, or the Offer Agreement is terminated in respect of such Promoter Selling Shareholder, at any stage prior to the completion of the Offer and the Offer is successful or consummated or completed, such Promoter Selling Shareholder will not be liable to reimburse our Company for any costs, charges, fees and expenses associated with and incurred in connection with the Offer.

The break-up for the estimated Offer expenses are as follows:

Activity	Estimated expenses (₹ in million) ⁽¹⁾	As a % total estimated Offer related expenses ⁽¹⁾	As a % of the total Offer size ⁽¹⁾
BRLM fees and commissions (including any underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank(s) and Bankers to the Issue. Brokerage, underwriting commission and selling commission and bidding charges for members of the Syndicate, Registered Brokers, RTAs and CDPs ⁽²⁾⁽³⁾	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Others	[●]	[●]	[●]
i. Listing fees, SEBI filing fees, upload fees, BSE and NSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
ii. Printing and stationery	[●]	[●]	[●]
iii. Fee payable to legal counsel	[●]	[●]	[●]
iv. Advertising and marketing expenses	[●]	[●]	[●]
v. Miscellaneous	[●]	[●]	[●]
Total estimated Offer related expenses	[●]	[●]	[●]

⁽¹⁾ The Offer expenses will be incorporated in the Prospectus on finalization of the Offer Price. Offer expenses are estimates and are subject to change.

⁽²⁾ Selling commission payable to members of the Syndicate, SCSBs, RTAs and CDPs on the amounts received against the Equity Shares Allotted (i.e. product of the Equity Shares Allotted and the Offer price) would be as follows:

- Portion for Retail Individual Bidders – [●]% of the Amount Allotted (plus applicable taxes)
- Portion for Non-Institutional Bidders – [●]% of the Amount Allotted (plus applicable taxes)

- Further, bidding charges of ₹ [●] (plus applicable goods and services tax) shall be per valid ASBA Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Investors using the UPI Mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured by them. Selling commission payable to the Registered Brokers on the portion for Retail Individual Investors and Non-Institutional Investors, which are directly procured by the Registered Brokers and submitted to SCSB for processing, shall be ₹ [●] per valid Bid cum Application Form (plus applicable goods and services tax). In case the total processing charges payable exceeds ₹ [●] million, the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ [●] million (Based on valid Bid cum Application Forms).
- (3) Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹ [●] per valid Bid cum Application Form (plus applicable taxes). In case the total processing charges payable exceeds ₹ [●] million, the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ [●] million (Based on valid Bid cum Application Forms). Processing fees for applications made by Retail Individual Investors and Non-Institutional Investors using the UPI Mechanism would be as follows:
- Members of Syndicate/RTAs / CDPs/ Registered Brokers – ₹ [●] per valid Bid cum Application Form (plus applicable taxes)*
 - Sponsor Bank(s) – ₹ [●] per valid Bid cum Application Form (plus applicable taxes)
The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws
- *In case the total processing charges payable under this head exceeds ₹ [●] million, the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ [●] million.
- (4) Uploading charges of ₹ [●] valid applications (plus applicable taxes) are applicable only in case of Bid uploaded by the members of the Syndicate, Registered Brokers, RTAs and CDPs: (a) for applications made by Retail Individual Bidders using 3-in-1 type accounts; and (b) for Non-Institutional Bids using Syndicate ASBA mechanism / using 3-in-1 type accounts. (In case the total processing charges payable under this head exceeds ₹ [●] million, the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ [●] million.)

The Offer expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

Appraising Entity

None of the Objects for which the Net Proceeds will be utilized require appraisal from, or have been appraised by, any bank or financial institution or any other agency, in accordance with applicable law.

Deployment of Funds and Sources of Funds

As on date of this Draft Red Herring Prospectus, our Company has not deployed any funds towards the Objects of the Offer.

Interim use of Net Proceeds

The Net Proceeds shall be retained in the Public Issue Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board or a duly constituted committee thereof.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Monitoring utilization of funds

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with the RoC, our Company will not appoint a Monitoring Agency to monitor the utilization of the Gross Proceeds as the proposed Fresh Issue does not exceed ₹ 1,000.00 million.

Our Company will disclose and continue to disclose, the utilization of the Gross Proceeds, including interim use under a separate head in our balance sheet for such Fiscals as required under applicable law, clearly specifying the purposes for which the Gross Proceeds have been utilized, till the time any part of the Gross Proceeds remains unutilized. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds. Further, our Company, on a quarterly basis, shall include the deployment of Gross Proceeds under various heads, as applicable, in the notes to our quarterly financial results. Our Company will indicate investments, if any, of unutilized Gross Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

In accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Gross Proceeds from the Objects as stated above; and (ii) details of category wise variations in the actual utilization of the Gross Proceeds from the Objects as stated above. Pursuant to Regulation 32(3) and Part C of Schedule II, of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than those stated in the Red Herring Prospectus and the Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statement shall be certified by the Statutory Auditors of our Company in accordance with Regulation 32(5) of SEBI Listing Regulations.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the objects of the Offer without our Company being authorized to do so by the Shareholders by way of a special resolution and such variation will be in accordance with the applicable laws including the Companies Act 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “**Notice**”) shall specify the prescribed details, including justification for such variation and be published and placed on website of our Company, in accordance with the Companies Act, 2013, read with relevant rules. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, subject to the provisions of the Companies Act 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act 2013 and the SEBI ICDR Regulations.

Other Confirmations

Except to the extent of the proceeds received by the Promoter Selling Shareholders pursuant to the Offer for Sale, none of our Promoters, Promoter Group members, Directors, Key Managerial Personnel, Senior Management, Group Company or any other parties with whom we have entered, or will enter, into related party transactions, will receive any portion of the Offer Proceeds and there are no material existing or anticipated transactions in relation to utilization of the Offer Proceeds with our Promoters, Promoter Group members, Directors, Key Managerial Personnel, Senior Management, Group Company or any other parties with whom we have entered, or will enter, into related party transactions.

Our Company has not entered into and is not planning to enter into any arrangement/agreements with any of our Directors, Key Managerial Personnel and Senior Management in relation to the utilisation of the Net Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects of the Fresh Issue as set out above.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company in consultation with the Book Running Lead Manager, and on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹5 each and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value.

Investors should read below mentioned information along with the “*Risk Factors*”, “*Our Business*”, “*Financial Information*” and “*Management Discussion and Analysis of Financial Condition and Results of Operations*” on pages 32, 177, 227 and 286, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are as follows:

1. ***Integrated operations and product development capabilities***

Our product portfolio includes more than 10,000 SKUs, comprising standard hydraulic fittings such as DIN-metric fittings, JIC flared fittings, O-Ring Face Seal (ORFS) fittings, and conversion fittings. We also have the capability to develop application-specific fittings tailored to customer specifications and applicable industry standards, with 1,676 new SKUs in Fiscal 2025, 2,206 in Fiscal 2024, and 1,538 in Fiscal 2023.

2. ***Diversified customer base with wide market reach***

Our direct sales to OEMs and other industrial users allow us to customize solutions and build enduring relationships, our distributors also enable access to smaller and mid-sized industrial customers across domestic and overseas markets. We served 152 direct customers in Fiscal 2025, compared to 144 in Fiscal 2024 and 126 in Fiscal 2023, while the number of distributors and distribution partners has grown from 4 in Fiscal 2023 to 6 in Fiscal 2025. This dual-channel approach provides access to diverse customer segments and reduces dependence on any single sales channel or industry vertical.

3. **Established global presence with access to growing international markets:**

As of March 31, 2025, our operations span both domestic and international markets, supported by a product portfolio of over 10,000 SKUs. As on March 31, 2025, we have exported hydraulic fittings to ten countries including the USA, Belgium, Russia, Brazil, Italy and Saudi Arabia. In the domestic market, our network covered three states in India between Fiscal 2023 and Fiscal 2025, enabling us to serve a broad customer base across industries.

4. **Experienced leadership, deep market understanding and industry credibility**

Our Company benefits from over four decades of experience in the hydraulic fittings industry, led by our Promoter, Hemant Tukaram Mondkar. In addition, our Promoter and Non-Executive Director, Ashwin Hemant Mondkar, has played an important role in supporting the Company’s international expansion, particularly in the United States.

5. **Decentralized cell-based manufacturing model**

We follow a cell-based manufacturing model, which enables us to maintain accountability, and customer focus. Under this structure, our operations are organized into smaller, self-contained cells, with certain cells aligned to specific customer requirements or product categories

For further details, see “*Risk Factors*” and “*Our Business*” on pages 32 and 177, respectively.

Quantitative Factors

The information presented in this section is derived from our Restated Consolidated Financial Information. For details, see “*Financial Information*” on page 227. Investors should evaluate our Company and form their decisions

taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Offer price are as follows:

1. Basic and Diluted Earnings per Share (EPS), as adjusted for changes in capital.

Financial Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal 2025	2.35	2.35	3
Fiscal 2024	1.39	1.39	2
Fiscal 2023	2.16	2.16	1
Weighted Average	2.00	2.00	-

Notes:

- Basic EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period / year.
- Diluted EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/year for diluted EPS.
- Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year/period.
- The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Financial Statements.
- The EPS has been calculated in accordance with IND-AS 33– “Earnings per Share” notified by Companies (Indian Accounting Standards) Rules, 2015, as amended.

2. Price / Earning (P/E) Ratio in relation to Price band of ₹ [●] to ₹ [●] per Equity Share

Particulars	P/E at the Floor Price (number of times) *	P/E at the Floor Price (number of times) *
P/E ratio based on basic EPS for the financial year ended March 31, 2025	[●]	[●]
P/E ratio based on diluted EPS for the financial year ended March 31, 2025	[●]	[●]

* To be computed post finalization of Price Band.

Industry Peer Group P/E Ratio

Based on the peer company information (excluding our Company) given below in this section:

Particulars	P/E ratio*
Highest	101.43
Lowest	41.98
Average	65.83

*Source: based on closing Market Price as on August 29, 2025

Notes:

- The industry high and low has been considered from the industry peer set. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.
- P/E ratio has been computed based on the closing market price of equity shares on NSE as on August 29, 2025, divided by the diluted EPS for the year ended March 31, 2025.

3. Return on Net Worth (RONW):

Financial Year ended	RoNW (%)	Weight
Fiscal 2025	19.38	3
Fiscal 2024	14.10	2
Fiscal 2023	25.25	1
Weighted Average	18.60	

Note:

RoNW is calculated as net profit after taxation and minority interest attributable to the equity shareholders of the Company divided by shareholders' funds for that year. Shareholders' funds = Share capital + reserves & surplus – revaluation reserves.

4. Net Asset Value (NAV) per Equity Share

Particulars	Amount (₹)
As of March 31, 2025	12.12
After Completion of the Offer	
- At the Floor Price*	[●]
- At the Cap Price*	[●]
Offer Price	[●]

* To be computed post finalization of Price Band.

Notes:

Net Asset Value per share = Net Asset Value (Net-worth), as restated / Number of equity shares outstanding

Net worth' means 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 audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

5. Comparison with listed industry peer:

The following peer group has been determined based on the companies listed on the Stock Exchanges:

Name of the Company	For the year ended March 31, 2025						
	Face value (₹)	Revenue from operations (₹ in million)	Basic EPS ⁽¹⁾ (₹)	Diluted EPS ⁽¹⁾ (₹)	P/E (based on Diluted EPS)	Return on net worth (%)	NAV per Equity Share (₹)
Hy-Tech Engineers Limited	5	1,613.82	2.35	2.35	[●]	19.38	12.12
Listed peers							
Aeroflex Industries Limited	2	3,762.28	4.06	4.06	41.98	16.53	26.48
Dynamatic Technologies Limited	10	14,038.00	63.39	63.39	101.43	6.21	1,056.48
Yuken India Limited	10	4,573.56	18.94	18.94	54.09	8.47	231.70

Source: All the financial information for listed industry peers mentioned above is on a consolidated/Consolidated basis as available sourced from the financial Reports of the peer company uploaded on the NSE website for the year ended March 31, 2025.

Notes:

1. Basic and Diluted EPS for peers are sourced from the audited financial statements for the financial year ended March 31, 2025.
2. P/E Ratio has been computed based on the closing market price of equity shares on the NSE website on August 29, 2025, divided by the Diluted EPS.
3. RoNW is computed as net profit after tax attributable to owners of the company divided by total closing equity attributable to the owners of the company.
4. NAV is computed as the closing net worth divided by the outstanding number of equity shares.

Investors should read the above-mentioned information along with “Risk Factors”, “Our Business”, “Management Discussion and Analysis of Financial Position and Results of Operations” and “Financial Information” on pages 32, 177, 286 and 227, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” and you may lose all or part of your investments.

6. Key financial and operational performance indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

KPI	Explanations
GAAP Financial measures	
Revenue from operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of our business.
Profit after tax	Profit after tax provides information regarding the overall profitability of the Company.
Non-GAAP Financial measures	
Total Revenue	Total Revenue is used to tack the total revenue generated by the business including other income.
Operating EBITDA	Operating EBITDA provides information regarding the operational efficiency of our business.
Operating EBITDA Margin (%)	Operating EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.
Interest Coverage Ratio	The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstanding debt.
Return on Capital Employed	ROCE provides how efficiently our Company generates earnings from the capital employed in our business.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Net Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.
Inventory turnover Ratio	The inventory turnover ratio establishes the relationship between the cost of goods sold during a period and the average inventory held during that period. It measures the efficiency with which our company manages and utilizes its inventory.
Trade receivables turnover Ratio	The trade receivable turnover ratio assesses how efficiently our company is managing its trade receivables and converting them into cash.
Trade payables turnover Ratio	The trade payable turnover ratio indicates the number of times our company pays its creditors during a period. It is calculated to assess the cash requirements for settling trade payables.
Operational Measures	
Production capacity	The numbers provided represent the actual production capacity of our Company.
Capacity utilisation	This metric enables us to link actual production capacity with the installed production capacity

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated September 4, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this DDRHP. Further, the KPIs herein have been certified by Nayan Parikh & Co., Chartered Accountants, by their certificate dated September 4, 2025.

Financial KPI of our Company

S. No.	Particulars	Units	For the financial year ended as on March 31,		
			2025*	2024*	2023*
GAAP Financial measures					
1	Revenue from operations	₹ in million	1,613.82	1,377.08	1,333.36
2	Profit after tax	₹ in million	196.19	115.96	180.02
Non-GAAP Financial measures					
3	Total Revenue	₹ in million	1,667.07	1,411.73	1,369.44

S. No.	Particulars	Units	For the financial year ended as on March 31,		
			2025*	2024*	2023*
4	Earnings before interest, taxes, depreciation, and amortization (EBITDA) ^(a)	₹ in million	357.88	225.51	313.27
5	EBITDA Margin ^(b)	%	22.18%	16.38%	23.49%
6	Profit after tax (PAT) ^(c)	₹ in million	196.19	115.96	180.02
7	PAT Margin ^(d)	%	11.77	8.21	13.15
8	Return on Equity (ROE) ^(e)	%	21.39	15.11	28.80
9	Debt To Equity Ratio ^(f)	%	42.99	49.67	29.74
10	Interest Coverage Ratio ^(g)	Times	5.34	5.29	5.44
11	ROCE ^(h)	%	20.46	15.24	31.68
12	Current Ratio ⁽ⁱ⁾	Times	2.21	1.69	1.99
13	Net Capital Turnover Ratio ^(j)	Times	3.05	4.87	3.50
14	NAV / Book Value After Bonus and Split per Share ^(k)	In ₹	12.12	9.84	8.54
15	Inventory turnover ratio ^(l)	Times	2.48	2.28	2.05
16	Trade Receivables turnover ratio ^(m)	Times	3.91	3.47	3.23
17	Trade payables turnover ratio ⁽ⁿ⁾	Times	6.30	4.83	3.92

Operational KPI of our Company

S. No.	Metric	Units	As of and for the Fiscal		
			2025	2024	2023
1	Actual Production Capacity	Pieces per annum	28,800,000	24,800,000	24,700,000
2	Capacity Utilisation ^(o)	%	66.86%	73.42%	74.87%

Notes:

As certified by Nayan Parikh & Co., Chartered Accountants pursuant to their certificate dated September 4, 2025. The Audit committee in its resolution dated September 4, 2025 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Draft Red Herring Prospectus other than as disclosed in this section.

- (a) EBITDA is calculated as profit before tax for the year, plus finance costs, depreciation, and amortization expenses, minus other income.
- (b) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
- (c) PAT refers to Profit for the year as appearing in Restated Financial Information.
- (d) PAT Margin (%) is calculated as Profit for the year divided by Total Income
- (e) Return on equity (RoE) is equal to profit for the year divided by the average total equity.
- (f) Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).
- (g) Interest Coverage Ratio is calculated by dividing EBIT by finance cost.
- (h) RoCE (Return on Capital Employed) (%) is calculated as EBIT (after deducting other income) divided by capital employed. Capital employed is calculated as total assets minus current liabilities, current investments, cash and cash equivalents, and bank balances other than cash and cash equivalents.
- (i) Current Ratio is calculated by dividing the current assets by current liabilities.
- (j) Net Capital Turnover Ratio is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).
- (k) NAV / Book Value After Bonus and Split per Share is calculated dividing total equity by total number of issues equity share after bonus and split
- (l) Inventory Turnover Ratio is calculated dividing Cost of materials consumed by average inventory
- (m) Trade Receivable turnover Ratio is calculated dividing Revenue from Operation by average Trade receivable
- (n) Trade Payable turnover Ratio is calculated dividing Purchases which include raw materials purchases, Manufacturing exp., Repairs and Maintenance, Printing & Stationery, Communication Exp and Office Exp by average Trade payable
- (o) Capacity utilisation is calculated by dividing the actual annual production by the installed annual capacity.

See “Management Discussion and Analysis of Financial Position and Results of Operations” on page 286 for the reconciliation and the manner of calculation of our key financial performance indicators.

7. Comparison of financial KPIs of our Company and our listed peers

Financial ratios	Units	Hy-Tech Engineers Limited			Aeroflex Industries Limited			Dynamatic Technologies Limited			Yuken India Limited		
		2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Total Revenue	₹ in million	1,667.07	1,411.73	1,369.44	3,787.62	3,217.51	2,695.00	14,266.00	14,721.50	13,255.30	4,617.45	4,278.08	3,751.41
Earnings before interest, taxes, depreciation, and amortization (EBITDA) ^(a)	₹ in million	357.88	225.51	313.27	790.45	618.08	529.17	1,583.20	1,594.10	1,812.60	548.67	447.87	334.18
EBITDA Margin ^(b)	%	22.18%	16.38%	23.49%	21.01%	19.44%	19.64	11.28%	11.15%	13.78%	12.00%	10.60%	9.00%
Profit after tax (PAT) ^(c)	₹ in million	196.19	115.96	180.02	525.17	417.34	301.52	430.40	1,218.10	427.90	246.02	187.86	96.51
PAT Margin ^(d)	%	11.77%	8.21%	13.15%	13.87%	12.97%	11.19%	3.02%	8.27%	3.23%	5.33%	4.39%	2.57%
Return on Equity (ROE) ^(e)	%	21.39%	15.11%	28.80%	16.53%	20.50%	30.10%	6.21%	20.14%	9.27%	8.47%	7.85%	4.95%
Debt To Equity Ratio ^(f)	%	42.99%	49.67%	29.74%	0.17%	0.04%	39.45%	62.86%	68.61%	114.10%	29.43%	27.52%	57.72%
Interest Coverage Ratio ^(g)	Times	5.34	5.29	5.44	193.80	25.97	13.89	1.57	1.49	1.70	3.62	3.57	2.13
ROCE ^(h)	%	20.46%	15.24%	31.68%	21.34%	29.51%	37.03%	9.11%	9.96%	14.69%	12.33%	10.36%	10.78%
Current Ratio ⁽ⁱ⁾	Times	2.21	1.69	1.99	2.91	3.46	1.96	1.28	1.31	1.10	1.16	1.32	1.03
Net Capital Turnover Ratio ^(j)	Times	3.05	4.87	3.50	2.39	1.60	3.57	7.93	8.02	17.73	14.82	7.36	54.74
NAV / Book Value After Bonus and Split per Share ^(k)	In ₹	12.12	9.84	8.54	26.48	22.67	9.98	1,056.48	983.21	852.82	231.70	215.06	165.71
Inventory turnover ratio ^(l)	Times	2.48	2.28	2.05	3.56	3.50	3.72	2.00	2.21	2.27	2.33	2.39	1.45

Financial ratios	Units	Hy-Tech Engineers Limited			Aeroflex Industries Limited			Dynamatic Technologies Limited			Yuken India Limited		
Particulars		2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Trade Receivables turnover ratio (m)	Times	3.91	3.47	3.23	3.56	3.93	4.51	4.77	5.14	5.62	3.88	3.61	3.19
Trade payables turnover ratio (n)	Times	6.30	4.83	3.92	4.00	4.39	4.82	3.15	3.22	2.82	3.69	3.03	2.50

Notes:

- a) Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Information.
- b) Total Income means the sum of Revenue from Operations and Other Income
- c) EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from continued operations and exceptional items.
- d) EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- e) Profit after Tax refers to sum of total income less total expenses after considering the tax expense
- f) EPS is Earnings per share calculated as Profit attributable to shareholders of the company divided by the weighted average number of shares outstanding during the period.
- g) Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
- h) Return on equity (RoE) is equal to profit for the year divided by the total equity and is expressed as a percentage.
- i) Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).
- j) The Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBIT by interest expense.
- k) RoCE (Return on Capital Employed) (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as net worth and total debt.
- l) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- m) Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).
- n) NAV is defined as Net Asset Value and is calculated as Shareholders Net worth divided by the weighted average number of shares outstanding during the period.
- o) Return on Net Worth is calculated as Profit attributable to shareholders of the company divided by the net worth i.e shareholders equity.
- p) Operational KPI's have been defined above and the metrics have been taken for consolidated balances of the company

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

- a) Price per share of the Company based on primary issuances of Equity Shares or convertible securities (excluding issuance of Equity Shares under ESOS or pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-transaction capital before such transactions) in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Date of allotment	No. of equity shares allotted*	Face value per equity share (₹)	Issue price per equity share (₹)*	Nature of allotment	Nature of consideration	Total Consideration (in ₹ Million)
Nil						

- b) Price per share of the Company based on secondary sale or acquisition of Equity Shares or convertible securities (excluding gifts) involving any of the Promoters, members of the Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction, during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-transaction capital before such transactions), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Date of Transfer	Name of Transferor	Name of Transferee	No. of Securities	Face value of Securities	Price of securities (₹)	Nature of transaction	Nature of consideration	Total Consideration (in ₹ Million)
Nil								

- c) Since there are no such transactions to report under (a) or (b) above, therefore, information on the price per equity share for the last five primary and secondary transactions (secondary transactions where our Promoters, members of the Promoter Group, Selling Shareholders or other Shareholder(s) having the right to nominate director(s) to the Board of our Company, are a party to the transaction, not older than three years prior to the date of this Red Herring Prospectus irrespective of the size of transactions, is as below:

Date of Transfer	Name of Transferor	Name of Transferee	No. of Securities	Face value of Securities	Price of securities (₹)	Nature of transaction	Nature of consideration	Total Consideration (in ₹ Million)
12-12-2024	Hemant Mondkar	Sujit N Chaudhari	500	10	3,000	Transfer	Cash	1.50
13-12-2024	Hemant Mondkar	Makarand Joshi	500	10	3,000	Transfer	Cash	1.50
26-12-2024	Hemant Mondkar	Sandeep Rane	500	10	3,000	Transfer	Cash	1.50
26-12-2024	Hemant Mondkar	Sunil Satwani	500	10	3,000	Transfer	Cash	1.50
23-07-2025	Hemant Mondkar	Ashwin Hemant Mondkar	2,850,000	5	14.33	Transfer	Cash	40.84
Weighted average cost of acquisition (WACA) #								16.42

Floor price and cap price being [●] times the weighted average cost of acquisition (WACA) based on primary/secondary transaction(s) as disclosed in terms of clause (a) and (b), shall be disclosed in the following manner:

Past Transactions	Weighted average cost of acquisition [#]	Floor Price	Cap Price
	(₹)	₹[●] *	₹[●] *
WACA of Equity Shares that were issued by our Company	Nil	[●]	[●]
WACA of Equity Shares that were acquired or sold by way of secondary transactions	16.42	[●]	[●]

As certified by Nayan Parikh & Co., Chartered Accountants, pursuant to their certificate dated September 4, 2025.

** Details have been left intentionally blank as the Floor Price and Cap Price are not available as of date of this Draft Red Herring Prospectus. To be updated at Prospectus stage*

d) Justification for Basis for Offer Price.

Explanation for Offer Price / Cap Price being [●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's key performance indicators and the Fiscals 2025, 2024 and 2023.

[●]*

**To be included upon finalization of Price Band*

e) The Offer Price is [●] times of the Face Value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company in consultation with the BRLM, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Position and Results of Operations" and "Financial Information" on pages 32, 177, 286 and 227, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" and you may lose all or part of your investments

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,

The Board of Directors

Hy-tech Engineers Limited

Plot No A 160, Main Road, Opp Hallmark Honda

Wagle Estate, Thane,

Wagle I.E. S.O Thane 400604.

Maharashtra, India.

Dear Sir(s) / Madam(s),

Sub: Statement of possible special tax benefits in case of Hy-tech Engineers Limited (“the Company”) and its shareholders in accordance with the requirement under Schedule VI-A Part A – Clause (9)(L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”), under the direct and indirect tax laws in India (“Statement of Possible Special Tax Benefits”)

We refer to the proposed initial public offering of the equity shares (“Offer”) of the Company. In this regard, we enclose herewith a statement (the “**Annexure**”) showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961 read with Income-Tax Rules, 1962, circulars, notifications as amended by the Finance Act 2025 [published on 1st February 2025 as presently in force, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company and its shareholders operate and applicable to the Company and to its shareholders, Customs Act 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy 2023 (as extended) including the rules, regulations, circulars and notifications issued there under (collectively referred as “Taxation Laws”)], relevant to the Financial Year (“FY”) 2025-26 i.e. Assessment Year (“AY”) 2026-27 presently in force in India for inclusion in the Draft Red Herring Prospectus (“DRHP”), Red Herring Prospectus and the Prospectus (collectively, the “Offer Documents”) for the proposed initial public offering of equity shares of the Company, as required under ICDR Regulations.

Several of these benefits are dependent on the Company and/or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Hence, the ability of the Company and/or its shareholders to derive these special direct and indirect tax benefits is dependent upon their fulfilling such conditions which is based on business imperatives that the Company and/or its shareholders may face in the near future and accordingly, the Company and its shareholders may or may not choose to fulfil.

The special tax benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultants, with respect to the specific tax implications arising out of their participation in the Offer. We are neither suggesting nor are advising the investor to invest money or not to invest money based on this statement.

We do not express any opinion or provide any assurance whether:

- The Company and/or its shareholders will continue to obtain these special tax benefits as per Annexure in future; and
- The conditions prescribed for availing the special tax benefits as per Annexure have been/would be met.
- The revenue authorities/courts will concur with the views expressed therein.

We hereby give our consent to include this statement and the enclosed Annexure regarding the special tax benefits available to the Company and its shareholders in the Offer Documents in relation to the Offer, which the Company intends to file with the Securities and Exchange Board of India and the stock exchange(s) (National Stock Exchange of India Limited and BSE Limited) where the equity shares of the Company are proposed to be listed, as applicable, provided that the below statement of limitation is included in the Offer Documents.

LIMITATIONS

Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of taxation laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the Annexure is on the express understanding that we do not assume responsibility towards the investors and third parties who may or may not invest in the Offer relying on the Annexure. This statement has been prepared solely in connection with the Offer, as required under the ICDR Regulations.

For G.M Kapadia & Co.
Chartered Accountants
Firm Registration Number: 104767W

Atul Shah
Partner
Membership No.:039569
UDIN: 25039569BMLNIB7785

Place: Mumbai
Dated: September 4, 2025

ANNEXURE

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

This statement of possible special tax benefits is required as per Schedule VI (Part A)(9)(L) of the SEBI ICDR Regulations. While the term '*special tax benefits*' has not been defined under the SEBI ICDR Regulations, for the purpose of this Statement, it is assumed that with respect to special tax benefits available to the Company, the same would include those benefits as enumerated in this Annexure. Any benefits under the taxation laws other than those specified in this Annexure are considered to be general tax benefits and therefore not covered within the ambit of this Statement. Further, any benefits available under any other laws within or outside India, except for those mentioned in this Annexure have not been reviewed and covered by this statement.

I. Under the Income-Tax Act, 1961 (the Act) read with the relevant Income Tax rules, 1962 (rules)

Special tax benefits available to the company

There are no possible special tax benefit to the Company under the Act read with the relevant rules.

General Direct tax benefits available to the Company

Lower corporate tax rate under section 115BAA of the Act

As per the section 115BAA of the Act (New tax regime), It gives an option to domestic company to be governed by this section from a particular assessment year. If a company opts for section 115BAA of the Act, the company can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). However once opted new tax regime of taxation under the said section, it cannot be subsequently withdrawn.

Section 115BAA of the Act also provide the following:

1. Domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their 'book profits' under section 115JB of the Act. The tax credit (under section 115JAA), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available.
2. In case the Company opts for the concessional income tax rate as prescribed under Section 115BAA of the ITA, it will not be allowed to claim any of the following deductions/ exemptions:
 - Deduction under the provisions of Section 10AA (deduction for units in Special Economic Zone);
 - Deduction under clause (iia) of sub-section (1) of Section 32 (Additional depreciation);
 - Deduction under Section 32AD or Section 33AB or Section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund);
 - Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of Section 35 (Expenditure on scientific research);
 - Deduction under Section 35AD or Section 35CCC (Deduction for specified business, agricultural extension project);
 - Deduction under Section 35CCD (Expenditure on skill development);
 - Deduction under any provisions of Chapter VI-A other than the provisions of Section 80JJAA (Deduction in respect of employment of new employees) and 80M (Deduction in respect of certain inter corporate dividends);
 - No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
 - No set-off of any loss or allowance for unabsorbed depreciation deemed so under Section 72A, if such loss or depreciation is attributable to any of the deductions referred above.

The Company has already evaluated and opted for the lower corporate tax rate of 25.168%, as prescribed under section 115BAA of the Act.

Deductions from Gross Total Income

Deduction in respect of inter-corporate dividends – Section 80M of the Act

Prior to Finance Act, 2020, a company was liable to pay Dividend Distribution Tax (“DDT”) on the dividend paid by it to a shareholder and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT has been abolished and dividend received by shareholders on or after 1st April, 2020 is liable to be taxed in their respective hands. The Company is required to deduct Tax at Source (“TDS”) at applicable rate specified under the Act for both resident and non-resident shareholders. For non-resident shareholders, the rate specified under the Act would be subject to benefit available under applicable Double Taxation Avoidance Agreement (if any) and Multi-lateral instruments (MLI).

As per the section 80M of the Act, where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall be allowed deduction of an amount which will be lower of the following: -

- Dividends received from such other domestic company or foreign company or business trust; or
- Amount of dividend distributed by it on or before the due date.

The “due date” means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.

Section 80JJAA of the Act – Deduction in respect of employment of new employees

As per the provisions of section 80JJAA of the Act where the gross total income of an assessee to whom section 44AB applies, includes any profits and gains derived from business, there shall be allowed a deduction of an amount equal to thirty per cent of additional employee cost incurred in the course of such business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided, subject to fulfilment of prescribed conditions specified in sub-section (2) of section 80JJAA of the Act.

Tax benefits/implications in the hands of Shareholder

- In case of Resident shareholder

➤ Dividend Income

Dividend income earned by the shareholders is taxable in their hands at the applicable rates in accordance with the provisions of the Act. A domestic company receiving dividend is eligible to claim deduction under section 80M of the Act on fulfilling certain conditions. (The Company paying dividend will withhold tax at applicable rates on payment of dividend to shareholders.)

➤ On sale of shares

- Long term capital gain

Where shares are held as capital assets for more than 12 months immediately preceding its date of transfer, then as per Section 112A of the Act, long-term capital gains arising from transfer of an equity share through the recognized stock exchange, should be taxed at 12.5% (plus applicable surcharge and cess), without indexation and foreign exchange fluctuation benefit, subject to fulfillment of prescribed conditions under the Act. Tax shall be levied on capital gains exceeding INR 1,25,000. Further, any capital gain realized on sale of shares held for more than 12 months, which are sold without payment of STT, will also be subject to tax at 12.5% (plus applicable surcharge and cess) without indexation benefit.

- Short term capital gain

Where shares are held as capital assets for 12 months or less, (as per Section 111A of the Act), short term capital gains arising inter alia from transfer of an equity share through the recognized stock exchange, should be taxed at 20% (plus applicable surcharge and cess) subject to fulfillment of prescribed conditions under the Act.

Short term capital gains other than those covered by Section 111A of the Act and on which Securities Transaction Tax is not paid at the time of transfer would be subject to tax as calculated under normal provisions of the Act.

- In case of Non-Resident shareholder

The tax rates and the consequent taxation shall be as per the provisions of the Act and it is further subject to any benefits available under the applicable DTAA, if any, between India and the country of which the non-resident is a tax resident, as read with the MLI and subject to furnishing of tax residence certificate, electronic Form 10F and any other document as may be required. The Company will withhold tax at applicable rates on payment of dividend to shareholders.

Exemption under section 54F of the Act for Individual/HUF (Shareholder)

As per the provision of Section 54F of the Act, where an assessee being an individual or Hindu Undivided Family, can claim exemption from long-term capital gains tax arising from the transfer of any capital asset (other than a residential house) (e.g. equity shares), if the net sale proceeds are invested in purchasing or constructing a residential house property in India subject to fulfilment of prescribed conditions specified in section 54F of the Act.

Lower tax rate under section 115BAC of the Act

The new tax regime under section 115BAC of the Act is applicable to individual, Hindu undivided family, association of persons (other than a co-operative society), body of individuals and an artificial juridical person., wherein income-tax shall be computed at the rates specified as under:

Total Income	Rate of Tax
<i>Upto Rs.4,00,000</i>	<i>Nil</i>
<i>From Rs.4,00,001 to Rs.8,00,000</i>	<i>5 per cent</i>
<i>From Rs.8,00,001 to Rs.12,00,000</i>	<i>10 per cent</i>
<i>From Rs.12,00,001 to Rs.16,00,000</i>	<i>15 per cent</i>
<i>From Rs.16,00,001 to Rs.20,00,000</i>	<i>20 per cent</i>
<i>From Rs.20,00,001 to Rs.24,00,000</i>	<i>25 per cent</i>
<i>Above Rs.24,00,000</i>	<i>30 per cent.</i>

II. Special Indirect tax benefits available to the Company

1. In accordance with Section 54 of the CGST Act 2017, Section 16 of the IGST Act, 2017 and subject to conditions prescribed under the GST Act and Rules made thereunder, the Company is entitled to claim refunds for:
 - a) Input tax credit of tax paid on inputs and input services used in manufacture of exported goods i.e claim refund of unutilised Input tax credit by supplying under Bond or Letter of Undertaking;
 - b) Integrated Goods and Service Tax paid at the time of export of goods/services; and
 - c) Input tax credit accumulated on account of rate of tax on input being higher than the rate of tax on output supplies.
2. Duty drawback of duty paid on import of materials used in manufacture of export goods under Section 75 of the Customs Act, subject to conditions prescribed under the Act.
3. Duty credit E-scrips under Merchandise Export from India Scheme ("MEIS"). The remission of Duty

and Taxes on Exported Products (“RODTEP”) to determine mechanism for reimbursement of taxes, duties/levies at central, state and local level. The scheme came into force from January 1, 2021 and replaced MEIS.

4. As per Notification 64/2017- Customs dated 5th July, 2017, subject to conditions prescribed, any supply to an SEZ Unit-Is exempt from the levy of Integrated Goods and Service Tax Act, 2017.
5. As per Section 26 of the SEZ Act, 2005, subject to conditions prescribed under the Act, Import of goods by Units in SEZ is exempted from any duty of customs leviable under Customs Act, 1962 or the Customs Tariff Act, 1975.
6. As per Package scheme of Incentives, 2013 entitlement of either of the following is applicable to the company:-
 - a) Industrial Promotion Subsidy (IPS) for 100% VAT on local sales minus Input Tax Credit (ITC) or zero whichever is more + CST payable 40% of ITC for a period of 9 years.
 - b) 5% Subsidy on capital equipment for Technology Upgradation limited to Rs.25 lakhs/-
 - c) 75% Subsidy on expenses incurred on quality certification limited to Rs.1 lakhs/-.
 - d) 25% Subsidy on capital equipment for cleaner production measures limited to Rs.5 lakhs/-.
 - e) 75% Subsidy on expenses incurred on patent registration limited to Rs.10 lakhs for national and Rs.20 lakhs for international patents/-.
 - f) Incentives for 75% of the cost of carrying out Credit Rating limited to Rs.40,000/-.
 - g) Incentives for 75% of the cost of water audit limited to Rs.1 lakh/-.
 - h) Incentives for 75% of the cost of energy audit limited to Rs.2 lakh/-.
 - i) Incentives for 50% of the cost of capital equipment to conserve /recycle water limited to Rs.5 lakh/-.
 - j) Incentives for 50% of the cost of capital equipment for improving energy efficiency limited to Rs.5 lakh/-.

Company is availing special tax benefit under the provisions of the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, State Goods and Services Tax Act, 2017, Union Territory Goods and Services Tax Act, 2017, Customs Act, 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy 2023-2028, including the amendments, rules, regulations, circulars and notifications issued thereon, as applicable, such as concessional tax rate or exemption from tax which is contingent upon fulfilment of conditions nor any other similar special tax benefits.

The shareholders of the Company are also not eligible to any special tax benefits under the provisions of the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, State Goods and Services Tax Act, 2017, Customs Act, 1962, the Customs Tariff Act, 1975 and Foreign Trade Policy 2023-2028, including the amendments, rules, regulations, circulars and notifications issued thereon, as applicable.

III. Special Direct tax and Indirect tax benefits available to the material subsidiaries

There are no Material subsidiaries.

Notes:

The above Statement of Tax benefits sets out the special tax benefits available to the Company, and its shareholders under the tax laws mentioned above in summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

- i. The above Statement covers only above-mentioned tax laws benefits and does not cover any general tax benefits under any other law.
- ii. This Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- iii. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.
- iv. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.
- v. This statement does not discuss any tax consequences under any law for the time being in force, as applicable of any country outside India. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible tax consequences that apply to them in any country other than India.
- vi. This statement has been prepared solely in connection with the proposed issue under the Companies Act, 2013 and SEBI ICDR Regulations as amended.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “Industry Research Report on Hydraulic Fittings Industry” dated September, 2025 (the “CARE Report”) which is exclusively prepared for the purpose of the Offer and issued by CARE Analytics and Advisory Private Limited (“CARE”) and is exclusively commissioned for an agreed fee and paid for by the Company in connection with the Offer. CARE was appointed pursuant to the engagement letter entered into with our Company dated June 18, 2025. CARE is not related in any other manner to our Company. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. Further, the CARE Report was prepared on the basis of information as of specific dates and opinions in the CARE Report may be based on estimates, projections, forecasts and assumptions that may be as of such dates. CARE has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and has further advised that it has taken due care and caution in preparing the CARE Report based on the information obtained by it from sources which it considers reliable. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the CARE Report will be available on the website of our Company at <https://www.hy-techengineers.com/ipo-documents.php> from the date of the Draft Red Herring Prospectus until the Bid/ Offer Closing Date. Further, the CARE Report is not a recommendation to invest or disinvest in any company covered in the report. Prospective investors are advised not to unduly rely on the CARE Report. The views expressed in the CARE Report are that of CARE.

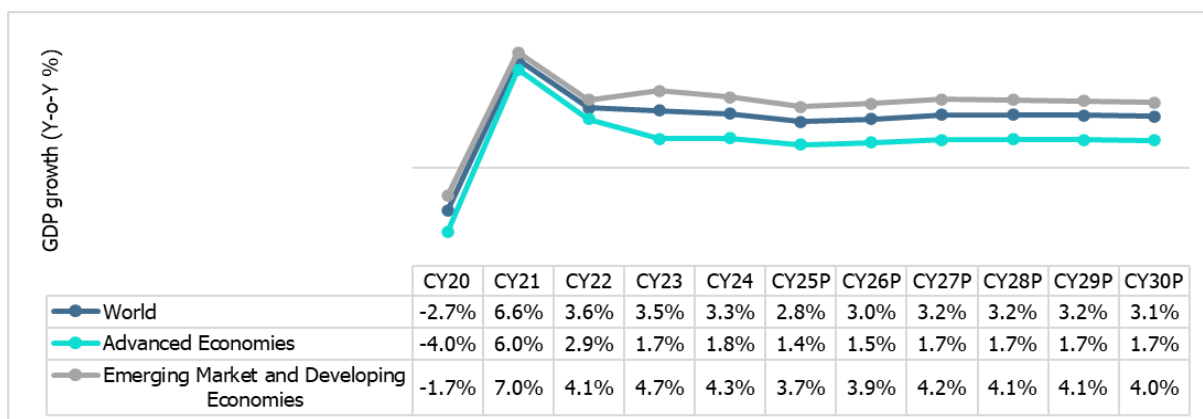
Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Financial information used herein is based solely on the audited financials of the Company and other peers. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. For more information and risks in relation to commissioned reports, see “Risk Factor 36 – Certain sections of this Draft Red Herring Prospectus disclose information from the CARE Report which has been prepared exclusively for the Offer and commissioned by our Company and paid for by our Company exclusively in connection with the Offer, and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.” on page 56. Also see, “Currency Conventions, Currency of Presentation, Use of Financial Information, Industry and Market Data” on page 19.

Global Macroeconomic Outlook

Review of global GDP growth

Global growth, which reached 3.5% in CY23, stabilized at 3.3% for CY24 and projected to decrease at 2.8% for CY25. Global trade is expected to be disrupted by new US tariffs and countermeasures from trading partners, leading to historically high tariff rates, and negatively impacting economic growth projections. The global landscape is expected to change as countries rethink their priorities and policies in response to these new developments. Central banks priority will be to adjust policies, while smart fiscal planning and reforms are key to handling debt and reducing global inequalities.

Global Growth Outlook Projections (Real GDP, Y-o-Y change in %)



Source: IMF – World Economic Outlook, April 2025; Notes: P-Projection

GDP Growth Trend Comparison - India v/s Other Economies (Real GDP, Y-o-Y change in %)

	Real GDP (Y-o-Y change in %)										
	CY20	CY21	CY22	CY23	CY24	CY25P	CY26P	CY27P	CY28P	CY29P	CY30P
India	-5.8	9.7	7.6	9.2	6.5	6.2	6.3	6.5	6.5	6.5	6.5
China	2.3	8.6	3.1	5.4	5.0	4.0	4.0	4.2	4.1	3.7	3.4
Indonesia	-2.1	3.7	5.3	5.0	5.0	4.7	4.7	4.9	5.0	5.1	5.1
Saudi Arabia	-3.6	5.1	7.5	-0.8	1.3	3.0	3.7	3.6	3.2	3.2	3.3
Brazil	-3.3	4.8	3.0	3.2	3.4	2.0	2.0	2.2	2.3	2.4	2.5
Euro Area	-6.0	6.3	3.5	0.4	0.9	0.8	1.2	1.3	1.3	1.2	1.1
United States	-2.2	6.1	2.5	2.9	2.8	1.8	1.7	2.0	2.1	2.1	2.1

Source: IMF- World Economic Outlook Database (April 2025)

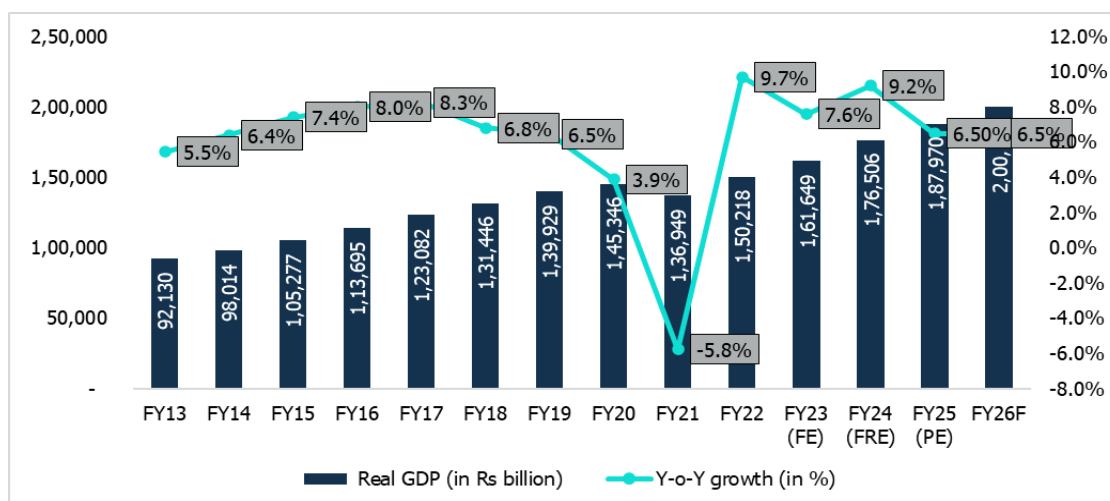
Note: P- Projections, E-Estimate; India's fiscal year (FY) aligns with the IMF's calendar year (CY). For instance, FY24 corresponds to CY23

Indian Macroeconomic Outlook

GDP Growth and Outlook

Resilience to External Shocks remains Critical for Near-Term Outlook

Trend in Real Indian GDP growth rate



Source: MOSPI, Reserve Bank of India

Note: FE – Final Estimates, FRE- First Revised Estimates, PE – Provisional Estimates, F – Forecasted

India's real GDP grew by 9.2% in FY24 (Rs. 176,506 billion) which is the highest in the previous 12 years (excluding FY22, on account of end of pandemic) and as per provisional estimates, it grew at 6.5% in FY25 (Rs. 187,970 billion), driven by double digit growth particularly in the Manufacturing sector, Construction sector and Financial, Real Estate & Professional Services. This growth is also led by private consumption increasing by 7.6% and government spending increasing by 3.8% Y-o-Y. Real GDP growth is projected at 6.5% in FY26 as well, driven by strong rural demand, improving employment, and robust business activity.

GDP Growth Outlook (April 2025)

FY26 GDP Outlook: The RBI projects real GDP growth at 6.5% for 2025–26, driven by strong private consumption, steady investment, and resilient rural and urban demand. A favourable monsoon, robust services sector and improving corporate balance sheets support this outlook.

However, risks from prolonged geopolitical tensions, global trade disruptions, and weather-related uncertainties remain. Taking these into account, the RBI has reaffirmed its growth projections.

RBI's GDP Growth Outlook (Y-o-Y %)

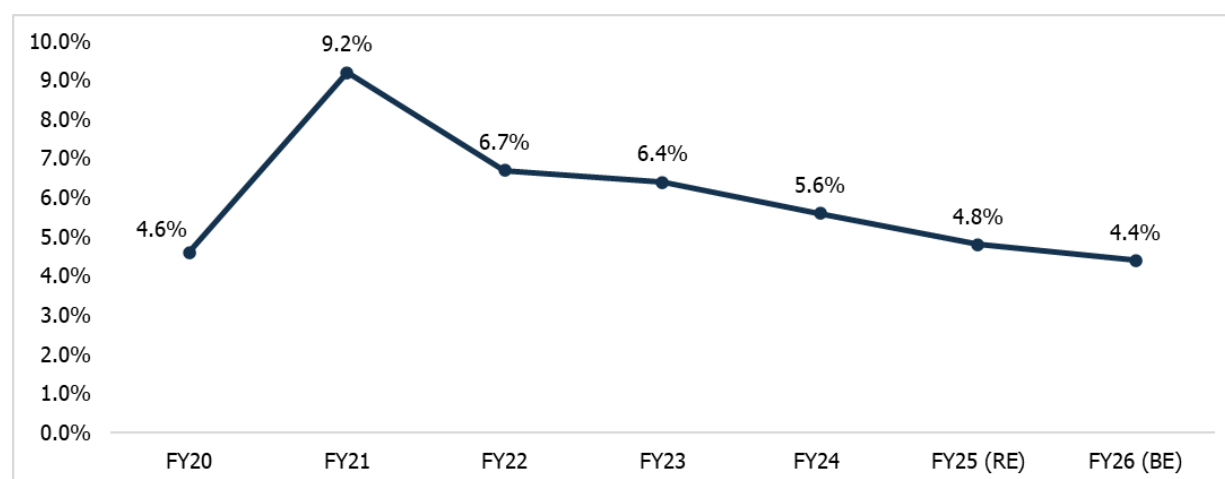
FY26P (complete year)	Q1FY26P	Q2FY26P	Q3FY26P	Q4FY26P
6.5%	6.5%	6.7%	6.6%	6.3%

Source: Reserve Bank of India; Note: P-Projected

Fiscal Deficit (as a % of GDP)

In FY21, India's fiscal deficit was 9.2% due to the impact of COVID-19, since then it has seen a steady improvement is expected to reduce to 4.8% of GDP FY25 (RE), driven by strong economic growth and higher tax and non-tax revenues. The government aims for further fiscal consolidation, setting a target of 4.4% of GDP for FY26 to maintain fiscal prudence.

Gross Fiscal Deficit (% of GDP)



Source: RBI; Note: RE-Revised Estimates, BE-Budget Estimates

Key Growth Drivers for Economic Growth

Urbanization: Urbanization contributes to economic growth by concentrating on people and resources in cities, which enhances productivity and innovation. Cities provide better access to infrastructure, education, and healthcare, as well as closer interactions among workers and firms that foster knowledge sharing and business opportunities. This overall effect helps economies grow more efficiently and adapt quickly to new economic trends.

Young population in India: The age structure of a population significantly affects economic growth through the “demographic dividend.” A rising proportion of the working-age population compared to dependents means there are more people actively contributing to economic activities and fewer relying on support. This demographic shift can boost savings, investment, and productivity, presenting a valuable opportunity for faster economic growth.

Population Growth: India’s growing population will expand the labour force and increase demand for goods and services, creating a larger domestic market that attracts investment. This will support economies of scale and boost economic activity across various sectors. With more workers available, productivity and output are likely to rise, driving overall growth. Additionally, a bigger market encourages businesses to innovate and expand, further strengthening the economy. Efficient integration of this population into productive roles will accelerate India’s economic development.

Openness to Trade and Foreign Investment: India’s openness to trade and foreign investment has expanded its access to global markets and diverse goods. By focusing on sectors like IT and pharmaceuticals, India has improved efficiency and competitiveness. Foreign investment brings capital, technology, and expertise, boosting productivity and fuelling economic growth.

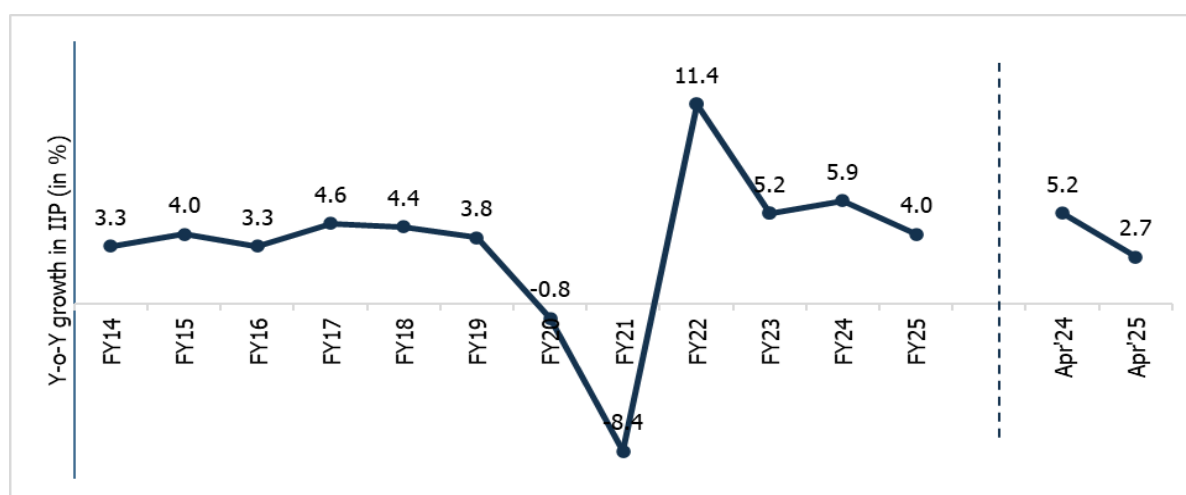
Industrial Growth

The Quick Estimates of the Index of Industrial Production (IIP) for April 2025 show a growth of 2.7%, compared to 5.2% in April 2024. The year-on-year growth moderation reflects subdued performance across key segments, largely due to a contraction in consumer non-durables, infrastructure industries, intermediate goods, capital goods, and primary goods.

In April 2025, industrial growth was supported by Manufacturing (3.4%) and Electricity (1.1%), while the Mining sector contracted by 0.2%. Within the manufacturing sector, industry groups such as pharmaceuticals, motor vehicles, and beverages recorded notable growth. Specifically, the electrical equipment and fabricated metal products segments contributed positively. Use-based indices highlighted slower growth across Primary Goods, Capital Goods, and Intermediate Goods. Capital Goods, however, stood out with a strong 20.3% rise, suggesting continued investment momentum.

Manufacturing output grew by 3.4%, contributing significantly to overall industrial growth. This was primarily driven by strong performance in segments such as pharmaceuticals, motor vehicles, beverages, and electrical equipment.

Y-o-Y growth in IIP (in %)



Source: MOSPI

Concluding Remarks

Global economic growth faces headwinds from geopolitical tensions, volatile commodity prices, high interest rates, inflation, financial market volatility, climate change, and rising public debt. However, India's economy remains relatively strong, with an IMF forecast of 6.2% GDP growth in CY25 (FY26 according to the fiscal year),

compared to the global projection of 2.8%. Key drivers include strong domestic demand, government capital expenditure and moderate inflation.

Public investment is expected to exhibit healthy growth as the government has allocated a strong capital expenditure of about Rs. 11.21 lakh crores for FY26. The private sector's intent to invest is also showing improvement as per the data announced on new project investments and resilience shown by the import of capital goods. Additionally, improvement in rural demand owing to healthy sowing, improving reservoir levels, and progress in south-west monsoon along with government's thrust on capex and other policy support will aid the investment cycle in gaining further traction.

The impact of U.S. tariffs on India's export trade is anticipated to be minimal. The engineering goods sector will have a potential U.S. tariff impact, whereas steel industry is affected by the 25% tariffs although the impact is expected to be minimal given the volume of goods exported is less.

On February 13, Prime Minister Narendra Modi and President Donald Trump discussed enhancing the U.S.-India trade relationship, with a target to increase bilateral trade from USD 200 billion to USD 500 billion by 2030. Negotiations for a multi-sector bilateral trade agreement (BTA) are expected to commence later this year, focusing on trade fairness, national security, and job creation.

Thus, while U.S. tariffs may have a limited impact on India's exports, ongoing trade negotiations and India's competitive manufacturing advantage position it well for continued growth in global trade.

Overview of Hydraulic Fittings

Overview of Hydraulic systems

Hydraulic systems operate via pressurized fluids. Within a hydraulic system, pressure is applied on contained fluid and this pressurized fluid creates force or power and acts upon every part of the section of the containing vessel. Depending on how this force is applied, operator can lift heavy loads. Some of the basic components that form part of hydraulic systems are detailed below:

Hydraulic pump

A hydraulic pump is one of the most important components of the hydraulic system as it converts mechanical energy of fluids into hydraulic energy. Usually, power-driven pumps are used in the hydraulics system however hand pumps can be used in case of emergency if power pump isn't able to function. Hydraulic pumps can be classified into:

- **Piston pump:** Hydraulic piston pumps can handle high hydraulic system pressures and hence can operate with various control types.
- **Gear pump:** Gear pumps have a simpler structure with very few moving parts.
- **Vane pump:** These pumps operate with lower pulsation and are light weight. It produces less noise due to its structure.

Actuators

Actuators help convert hydraulic energy back to mechanical energy. Actuators include hydraulic cylinders and hydraulic motors. Hydraulic cylinders aid in conversion of hydraulic energy into linear motion while a hydraulic motor supports in conversion of hydraulic energy into mechanical rotating motion. Different types of hydraulic cylinders and motors are available in the market depending on the usage.

Valves

Hydraulic valves support the hydraulic systems by starting, stopping, and directing the flow of hydraulic fluids and are made of spools or poppets. Some of the common varieties of valves are:

- **Pressure control valves:** Such valves control pressure in the hydraulic systems and different types of pressure control valves are available depending on the control to be achieved such as relief valves, sequence valves, brake valves etc.

- **Directional control valves:** Such valves can control start/stop, directions, and acceleration/deceleration of hydraulic motors and cylinders. They can be classified into three types: spool, poppet, and ball.
- **Flow control valves:** Such valves control flow rate in hydraulic systems and are classified further basis the type of control that needs to be achieved.

Accumulators

Accumulators help in achieving a large flow rate and absorb pulsations and shocks.

Hydraulic Fittings

Hydraulic fittings aid in transmission of energy generated by the hydraulic fluid and help to maintain high pressure conditions. It is detailed in the next section.

Cylinders, motors, filters, hydraulic fluids, tubes, pipes and hoses, seals, sensors are some of the other components that form part of hydraulic systems.

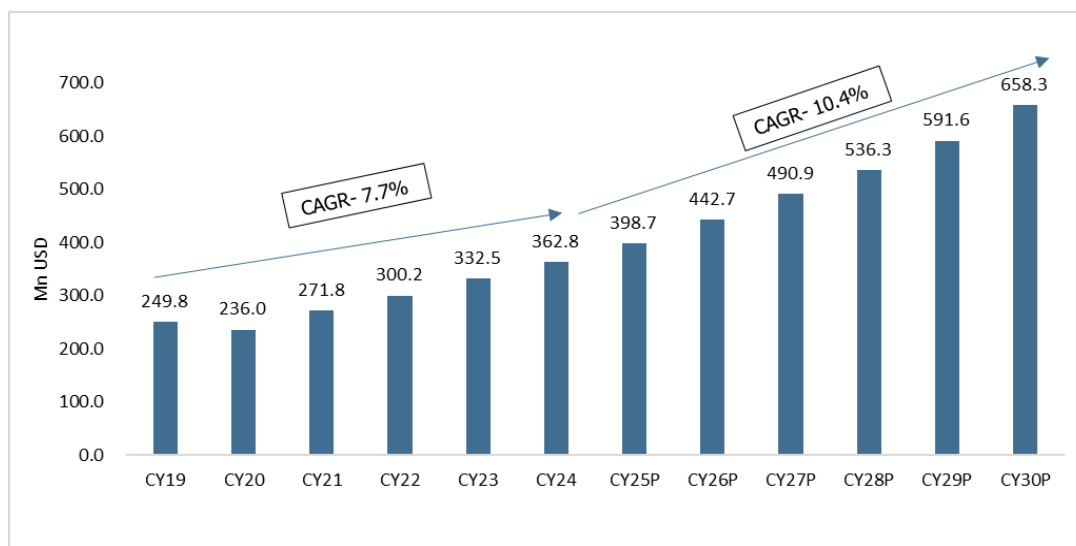
Hydraulic Fittings market size

Hydraulic fittings are primarily used in hydraulic systems to connect pipes, tubes, and hoses. Hydraulic fittings support the transmission of energy produced by the hydraulic fluid and help maintain high pressure conditions. The varied type of hydraulic fittings allows the fluid to flow, change direction or mix. The fittings should be capable of creating a tight seal and preventing leakage in the application in which it is being used. As the hydraulic system operates under high pressure conditions and therefore is not a fixed system, hydraulic fittings need to be reliable, strong, and versatile to operate effectively in the respective hydraulic systems it is being used.

The hydraulic fittings market in India is experiencing significant growth, driven by the expansion of various industries such as manufacturing, construction, automotive, and agriculture. As infrastructure development and industrialization continue to rise, there is an increasing demand for hydraulic systems, which in turn boosts the need for high-quality hydraulic fittings. Key trends in this market include the growing adoption of automation, increasing investments in renewable energy projects, and a shift towards more durable, corrosion-resistant, and efficient hydraulic components. Furthermore, the rise of local manufacturing and the availability of cost-effective solutions are making hydraulic fittings more accessible to small and medium-sized enterprises. Additionally, advancements in technology, such as the integration of IoT and smart sensors in hydraulic systems, are shaping the market's future.

The increasing adoption of technologically advanced machines across various industries such as agriculture, construction, material handling, and aerospace is expected to drive growth in the hydraulic fittings market. In India, the hydraulic fittings market has grown at a CAGR of 7.7% between CY19 and CY24 and is projected to expand at a higher CAGR of 10.4% from CY24 to CY30.

Indian Market Size of Hydraulic Fittings



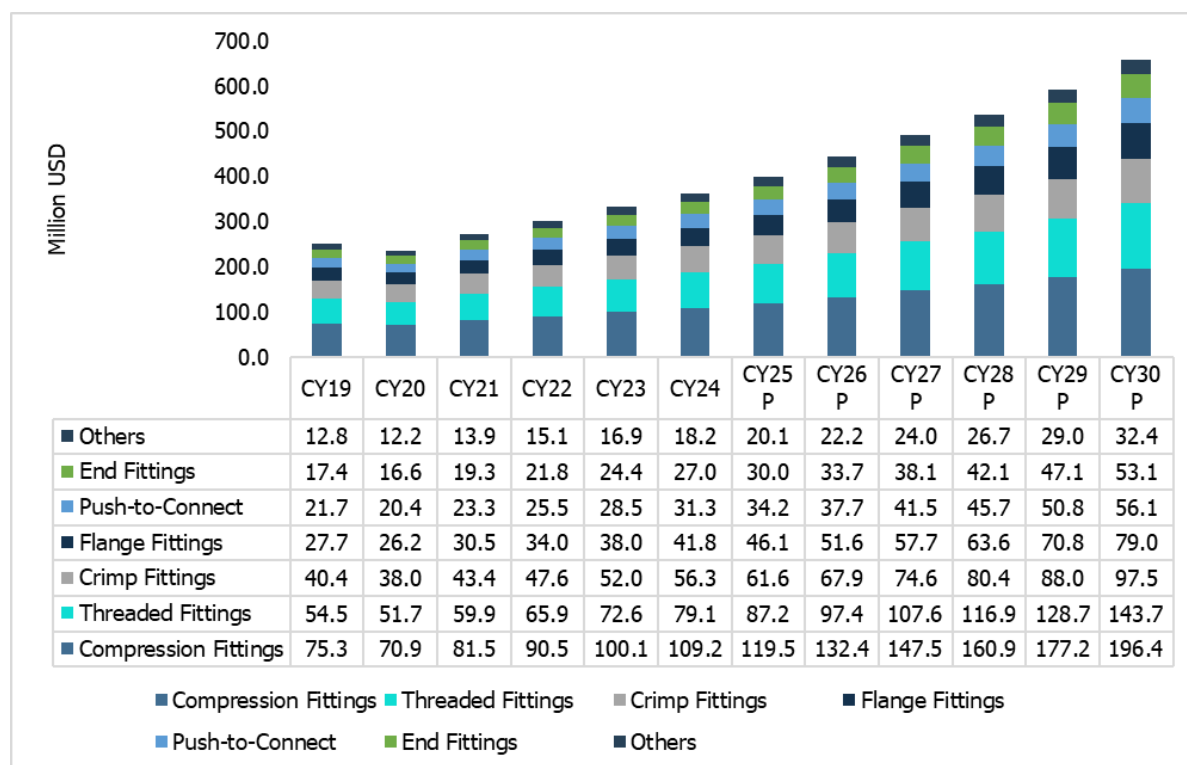
Source: Maia Research, Care Edge Research

Types of Hydraulic fittings

Hydraulic fittings can be differentiated on the basis of type of connection and the function it performs.

On the basis of Type of connection

Indian Market Size of Hydraulic Fittings – based on connections



Source: Maia Research, CareEdge Research

• Compression Fittings

Compression fittings are those fittings that make use of compressive force to connect vessel to the fitting. These fittings are gaining popularity due to their ability to form leak-proof seals in high-pressure systems, offering excellent reliability and ease of installation.



- **Crimp Fittings**

Crimp fittings are designed in a way that a hose is placed over a tubular end and crimped/compressed against it with a ring, sleeve or a crimp socket. Such fittings usually need crimping tools/machines to make connections. Skiving means that part of the hydraulic hose placed over the tubular end/inner tube is removed before attaching hose ends.

Figure 1: No Skive crimp fitting

Figure 2: Skive crimp fitting



Source: Parker Hannifin website

- **Flange Fittings**

Hydraulic flange fittings facilitate easy connection between tube or pipe and hose where flexibility is required between rigid lines (pipe to pipe or tube to tube). Such fittings can be either rims, edges, collars or ribs. Such fittings are used in the most demanding applications, as they are well suited for high pressure, shock and vibration, especially in larger sizes. Flange fittings are used in the most demanding applications, as they are well suited for high pressure, shock, and vibration, especially in larger sizes.



- **Push-to-Connect**

Push to Connect fittings are suitable in scenarios where systems need to be frequently connected and disconnected. The ends of such fittings are designed in a way that it connects to tubes by pushing it into the end. These fittings are becoming a trend in applications requiring fast and easy installation, minimizing downtime, and improving system flexibility.



- **End Fittings**

End fittings are designed in a way so as to provide specific surfaces in order to connect vessels in hydraulic systems and some of the common type of end fittings are clamp end fittings and plain end fittings.

- **Threaded Fittings**

Such type of fittings has screw threads on their outer (male) and inner (female) surfaces and can accept connections with matching threads. The threads can be bifurcated into straight threads and tapered threads. Thread sizes are based on standards and some of the common standards include British Standard Pipe (BSP) and National Pipe Thread (NPT) among other standards.

On the basis of function

Hydraulic fittings can also be segregated on the basis of the functions they perform.

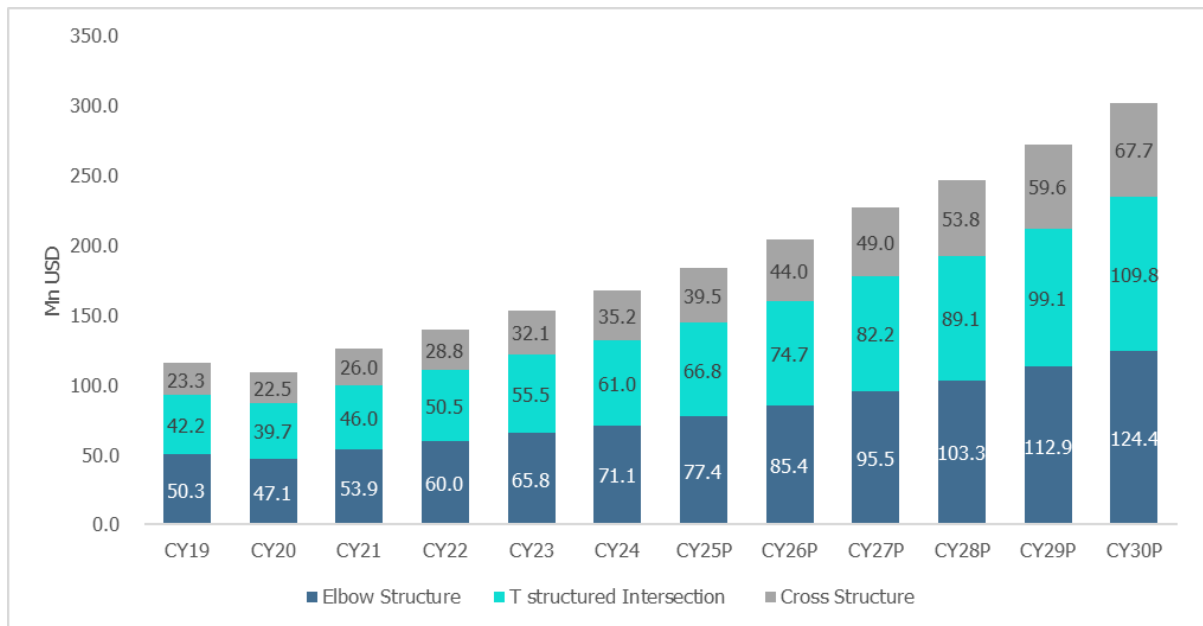
1. Fittings which add or change direction

The market for hydraulic fittings, including T-structures, cross fittings, and elbow fittings, has been experiencing steady growth due to the increasing demand for hydraulic systems across various industries such as manufacturing, automotive, aerospace, and agriculture.

Tee	Cross	Elbow
•T-structured intersection to connect three flow sections	•Such fittings provide 4 way connection to change direction of flow	•Such fittings can change direction of the flow at various angles

Source: Industry Sources, CareEdge Research

Market Size of change in direction Hydraulic Fittings – based on functions



Source: Maia Research, CareEdge Research

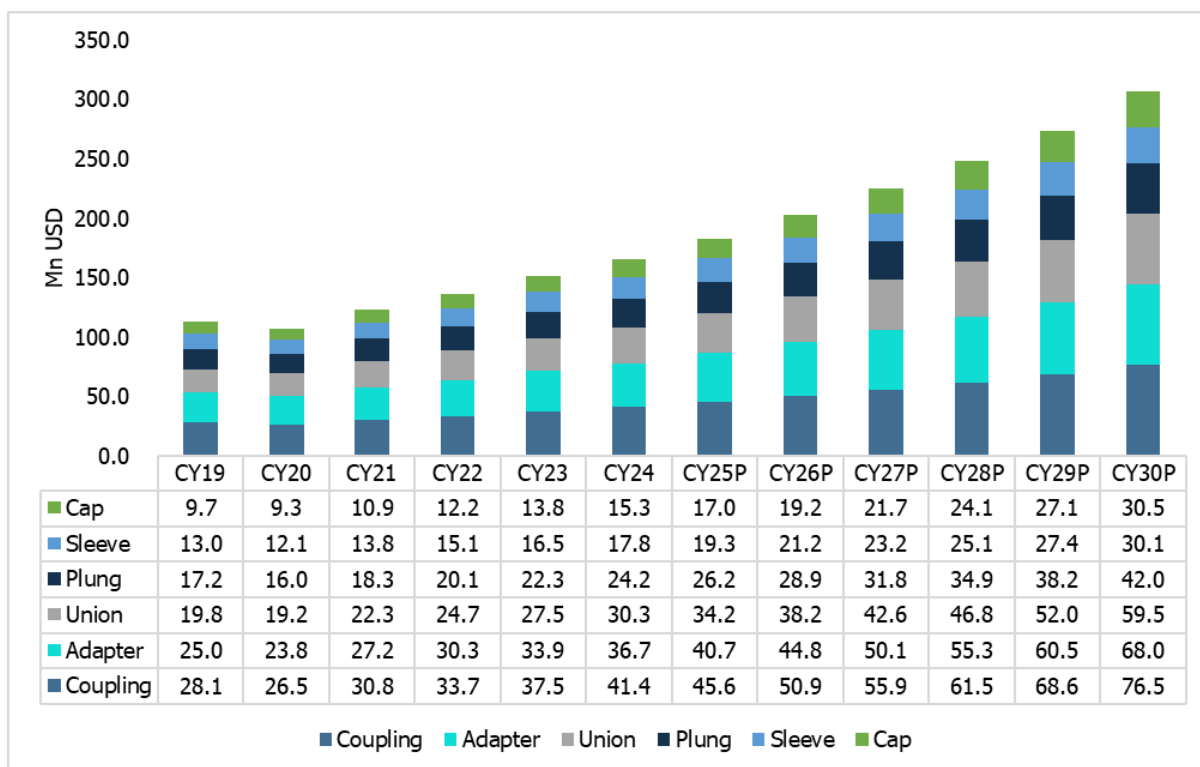
T-structures and cross fittings are essential for creating branching connections in hydraulic circuits, allowing for better fluid control and distribution, while elbow fittings are critical for redirecting fluid flow in different directions without compromising system integrity.

2. Fittings which extend or terminate pipe length

Sleeve	Cap	Adapter	Coupling	Plug	Union
Connects two sections using mechanical fasteners such as anchors or screws	It helps close the male thread port	It helps to connect dissimilar pipes	It helps connect similar pipes	It helps to close the female thread port	It helps to disconnect couplings without cutting them

Source: Industry Sources, CareEdge Research

Indian Market Size of Hydraulic Fittings – based on connections



Source: Maia Research, CareEdge Research

The market for hydraulic fittings is experiencing steady growth, driven by the increasing demand for efficient and reliable fluid power systems across various industries. Sleeve fittings, which offer easy installation and secure connections, are gaining popularity for their versatility in connecting tubes or pipes in hydraulic systems.

Cap fittings, used to seal the ends of pipes or tubes, are also seeing heightened demand due to their critical role in preventing leaks and maintaining system integrity.

Adapter fittings, which allow for the connection of different thread sizes or types, are essential in meeting the requirements of diverse hydraulic systems, further boosting their market presence.

Coupling fittings, known for their ability to join two pipes or hoses together securely, are becoming indispensable in both industrial and mobile hydraulic applications.

Plug fittings, used to block off unused ports or outlets, are witnessing a rise in demand as they provide solutions for system maintenance and reconfiguration.

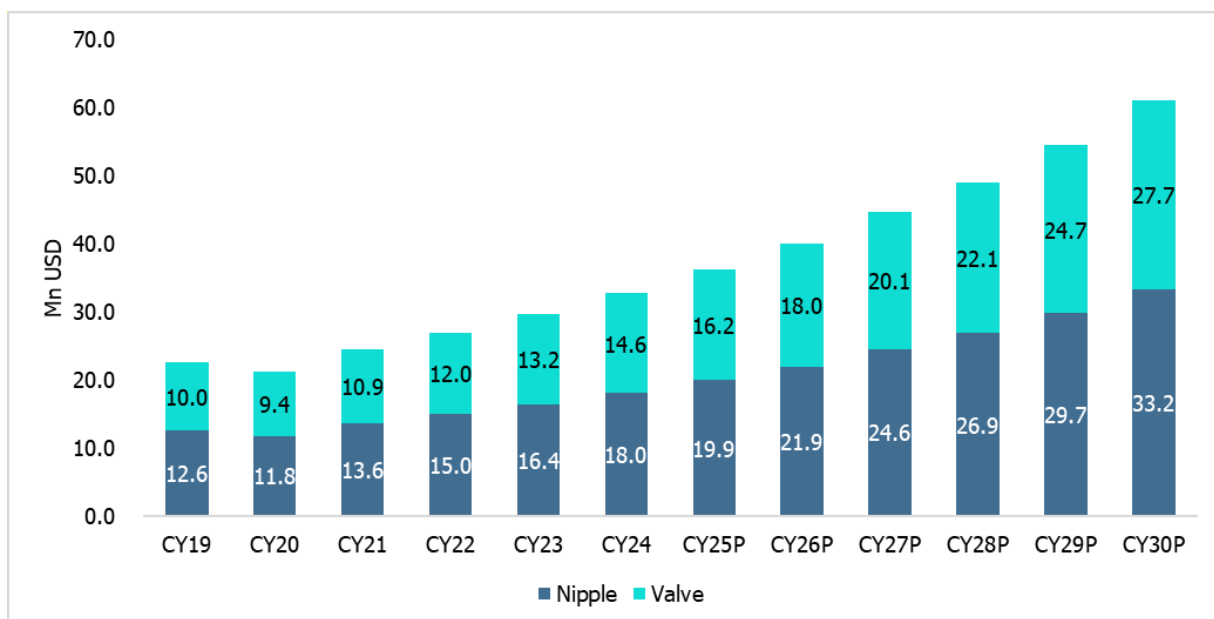
Finally, union fittings, which allow for easy disconnection and reconnection of hydraulic components without the need for cutting or welding, are becoming a preferred choice in industries where frequent disassembly is required.

As industries like construction, automotive, agriculture, and oil & gas continue to expand, the market for these hydraulic fittings is expected to grow, with a focus on innovation and the development of high-performance materials to meet increasing pressure and temperature demands.

3. Fittings which provide special connections or functions

- **Nipple:** Two separate fittings can be connected at each end through such type of fitting and has male threads at both ends.
- **Valve:** Such type of fitting helps to connect vessels and has a valve too for flow control.

Indian Market Size of Hydraulic Fittings – based on connections



Source: Maia Research, CareEdge Research

Nipple fittings, which serve as connectors between two female-threaded parts, are increasingly popular due to their role in extending or connecting hydraulic pipes and hoses in tight or challenging spaces. Their robust performance in high-pressure applications makes them essential across various sectors, including manufacturing, automotive, and oil & gas.

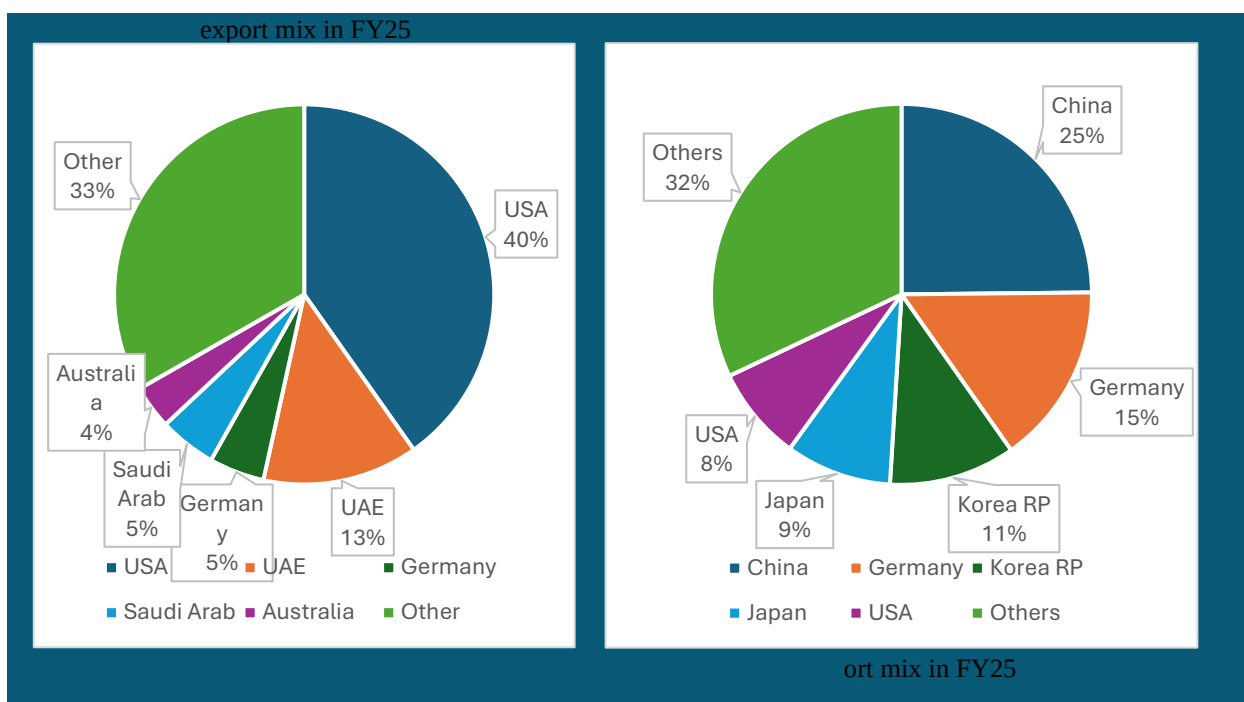
As industries demand greater flexibility and customization, nipple fittings are evolving to cater to specific system requirements, contributing to their growing market presence. Meanwhile, valve fittings are experiencing significant demand driven by their critical role in controlling fluid flow, pressure, and direction within hydraulic systems. With advancements in automation and process control, the need for high-quality, precision-engineered valve fittings is on the rise, particularly in industries like energy, aerospace, and chemical processing.

Global Scenario

The demand for hydraulic fittings is primarily driven by usage in equipment/machinery in end use industries such as agricultural equipment, construction equipment and so on. Developments in agricultural sectors particularly in developing regions such as India, China augur well for hydraulic fittings industry. In addition, investments in infrastructure development are growing across the globe is expected to lead to growth in demand for hydraulic based construction equipment. Similarly, growing demand for automotive will positively impact the hydraulic fittings industry.

Trade scenario on fittings

Fittings include tube or pipe fittings such as coupling, elbow sleeves made of iron or steel. The top 5 countries accounted for a share of 67% in exports of fittings from India in FY25 with USA contributing as the largest share at 40%. With respect to imports to India, the top 5 countries accounted for a share of 68% in imports of fittings in FY25 with China contributing for the largest share at 25%.



Note: Above data is based on HSN Code 73079990 – NON-GALVANISED Products Include: Hydraulic Hose, Ms Flange, Fuel Injector, Shackle, Adapter/Adaptor, Ferrule, Rcc Pipe, Connection Pipe, Hose Box, Hex Nipple, Hydraulic Fittings, Quick Release Coupling, Ss Tube, etc.

Source: Ministry of Commerce and Industry

Key global players in hydraulics industry

Some of the key global organized players operating in hydraulics industry are stated below:

Stauff Group

It was founded more than 50 years ago and is headquartered in Werdohl, Germany and is a manufacturer and supplier of pipework equipment and accessories to the hydraulic industry. They cater to mobile, industrial hydraulic machinery and have application in commercial and special purpose vehicles, rail transportation and energy technology. Their products are also used in oil, gas food, chemical and marine industries. The company has presence in over 45 sites in 18 countries and has a consolidated external sale of around 283 million EUR.

Parker Hannifin Corporation

It was founded in 1917 in Ohio, USA and initially the company built pneumatic brake systems for trucks, trains, buses, and industrial machinery, as well as leak-free fittings for the pioneers of aviation. Now, the company comprises of 6 product groups spanning the core motion technologies - electromechanical, hydraulic, and pneumatic - with a full complement of fluid handling, filtration, sealing and shielding, climate control, process control and aerospace technologies. The company has presence in 50 countries across the globe and supports 100 divisions with 336 manufacturing locations. It registered total net sales of USD 14 billion in 2021, a 5% growth as compared with USD 13 billion in the corresponding period a year ago.

Voss Fluid GmbH

Voss was founded in 1931 in Wipperfurth, Germany and is a supplier of hydraulic connections internationally. It is a manufacturer of coupling/fitting systems for mobile and stationary hydraulics. They have subsidiaries in France, Poland, Italy, Spain, and China. The product by Voss has applications in natural gas service stations, gas transport, agriculture and forestry, rail technology, marine & offshore, surface mining, automotive, machine tools and hydraulic presses.

Manuli Hydraulics

It was established in 1975 in Germany and manufactures connector solutions, components and associated assembly equipment for high pressure hydraulics, industrial material conveyance and refrigeration and cooling. The products manufactured by Manuli Hydraulics are used in applications such as constructions, agriculture, industrial machines, refrigeration, water blasting and cleaning etc.

Trade barriers, freight cost trends

Trade barriers in the global hydraulic parts market have become more complex in recent years. Technical trade barriers have become one of the main obstacles, and the certification requirements for hydraulic products in different countries and regions vary significantly. The European and American markets generally require CE, SAE, or UL certification, and attach strict environmental protection and energy efficiency standards, such as the EU's REACH regulations on hazardous substances and the United States' mandatory requirements for energy efficiency ratings. These standards increase the compliance costs of export companies, especially for manufacturers in developing countries. In terms of tariff barriers, some countries restrict imports through anti-dumping duties and safeguard measures. For example, India imposes high anti-dumping duties on certain hydraulic components, and the United States has not completely lifted the tariffs imposed on Chinese hydraulic products. In addition, intellectual property protection has also become a point of trade friction, and companies in developed countries frequently use patent litigation to restrict competitors from entering the market. The differentiated rules of regional trade agreements further increase trade complexity, and companies need to deal with multiple compliance issues such as rules of origin and localization requirements.

The trade barriers in the Indian hydraulic parts market have their own particularities. The country protects its local manufacturing industry through high tariff policies, and import tariffs on hydraulic components are generally high, especially for finished parts. India also frequently uses quality control measures to restrict imports, such as mandatory BIS certification and specific customs inspection procedures, which objectively prolong customs clearance time and increase uncertainty. In terms of technical standards, India adopts some international standards while retaining unique local specifications, resulting in additional adaptation costs for foreign suppliers. In addition, the "Make in India" policy promoted by the Indian government has prompted some industries to gradually increase the proportion of local procurement, which puts pressure on hydraulic system suppliers that rely entirely on imports. In terms of non-tariff barriers, complex customs procedures, opaque valuation procedures, and local protectionist tendencies have increased the difficulty of market entry.

The global transportation cost of hydraulic parts has experienced significant fluctuations in recent years. As the main mode of transportation, sea transportation is affected by the cyclical changes in container capacity. Freight rates on key routes have soared during periods of tight supply chains. Although they have fallen back recently, they are still higher than pre-epidemic levels. Changes in route layout also have an impact. Some traditional shipping routes have been forced to adjust due to regional conflicts or canal traffic problems, resulting in increased transportation time and costs. Air freight remains high, mainly used for the transportation of high-value or emergency hydraulic parts, but the slow recovery of air freight capacity has restricted the room for cost reduction. There are obvious differences between regions. The freight rate fluctuations on the Asia-North America route are greater than those within Europe, and the insufficient port infrastructure in emerging markets often leads to additional demurrage charges.

The freight rate problem in the Indian market is more complicated. The country's port efficiency is relatively low, and container detention and customs clearance delays are common, which invisibly pushes up the overall logistics costs. The inland transportation link is weak, and there are bottlenecks in road and rail transshipment from ports to industrial areas, especially for the transportation of heavy hydraulic equipment. In addition, India's uncertainty in the classification of some hydraulic parts may lead to customs disputes, resulting in warehousing and demurrage charges. Insurance costs are also on the rise. Due to the high risk of transportation delays and cargo damage, underwriters are more cautious in pricing premiums for Indian routes. Seasonal factors cannot be ignored. Monsoon weather often interferes with port operations and inland transportation, forming cyclical freight rate fluctuations.

In terms of future trends, global trade barriers may continue to develop in the direction of technology and compliance, and carbon footprint tracking and sustainable development requirements may become new entry conditions. The Indian market is expected to maintain a protectionist tendency, but restrictions may be relaxed in certain key parts to meet the needs of industrial development. In terms of freight rates, with the delivery of new ships and the replenishment of shipping capacity, sea freight prices are expected to stabilize, but regional conflicts and energy price fluctuations remain potential risk factors.

India's Export Competitiveness

Presence in Global Market

India has been steadily expanding its role in the global hydraulic fittings market, especially for products adhering to JIC (Joint Industrial Council), DIN (Deutsche Industrial Norme), and BSP (British Standard Pipe) standards. These international standards are widely used across industries such as agriculture, construction, and manufacturing. Meeting these specifications allows Indian exporters to cater to diverse global demands effectively.

Cost Competitiveness and Diverse Manufacturing Base

A major strength of India's hydraulic fittings industry is its cost advantage. Lower labour and manufacturing costs compared to Western countries and China enable Indian producers to offer fittings at more affordable prices without compromising quality. This makes Indian hydraulic fittings attractive to buyers seeking cost-effective yet reliable components. India's hydraulic fittings sector benefits from a robust and growing manufacturing ecosystem, comprising many small and medium enterprises (SMEs). This diverse base allows India to produce a wide variety of fittings in multiple sizes and specifications, meeting the complex and varied requirements of international customers.

Quality and Standards Compliance

Indian manufacturers have invested significantly in upgrading their production processes to comply with international quality standards, including ISO certifications and specific adherence to JIC, DIN, and BSP norms. This commitment to quality has enhanced India's reputation as a dependable supplier in the global hydraulic fittings market.

Export Destinations

Hydraulic fittings produced in India, compliant with JIC, DIN, and BSP standards, are exported to regions including the Middle East, Africa, Southeast Asia, and increasingly to Europe and North America. This broad geographic reach reduces dependence on any single market and strengthens India's export stability.

Competitive Challenges

Despite progress, Indian exporters face intense competition from established players like China, Germany, and the US. Challenges include the need to adopt advanced manufacturing technologies, reduce lead times, improve product innovation, and enhance logistics. Addressing these areas is important for India to grow its market share and respond effectively to evolving customer demands.

Way forward

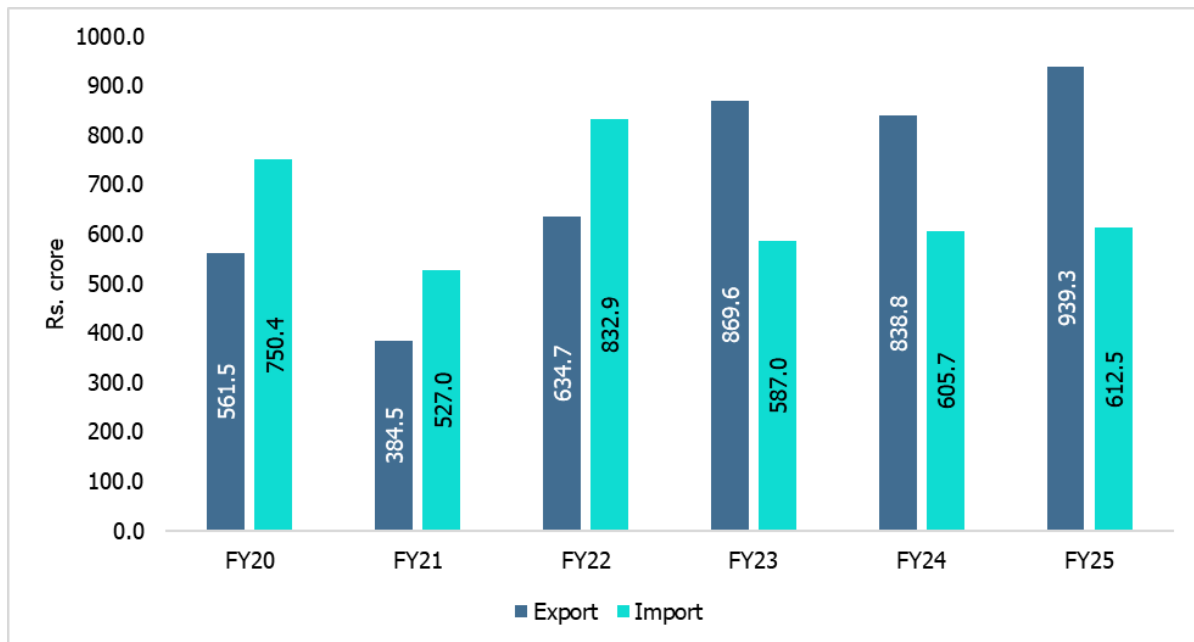
India's export competitiveness in hydraulic fittings is built on cost advantages, improved quality standards, and a strong manufacturing base. Continued investments in technology, innovation, and supply chain efficiency will be essential for India to expand its presence and capture a larger share of the global hydraulic fittings market.

Domestic Trade Scenario

The domestic industry for hydraulic fittings is largely unorganized and competitive intensity is high with presence of several players. Hydraulic fittings are used in industries such as automobiles, machinery/equipment used in oil & gas industry, construction & mining equipment, agriculture equipment and intermediaries such as Injection Moulding Machines.

Fittings include tube or pipe fittings such as coupling, elbow sleeves made of iron or steel. With respect to trade, India has been a net exporter of fittings as depicted in the chart below.

Domestic trade scenario of hydraulic fittings



Note: Above data is based on HSN Code 73079990 – NON-GALVANISED Products Include: Hydraulic Hose, Ms Flange, Fuel Injector, Shackle, Adapter/Adaptor, Ferrule, Rcc Pipe, Connection Pipe, Hose Box, Hex Nipple, Hydraulic Fittings, Quick Release Coupling, Ss Tube, etc.

Source: Ministry of Commerce & Industry

India's hydraulic fittings market is experiencing significant growth in both exports and imports, driven by the increasing demand for high-quality hydraulic components in various industries such as manufacturing, construction, agriculture, and oil & gas. On the export front, India has emerged as a prominent supplier of hydraulic fittings, particularly to markets in North America, Europe, the Middle East, and Southeast Asia.

The country's competitive advantage lies in its well-established manufacturing base, cost-effective production, and an ability to provide customized solutions that meet international standards. Indian manufacturers are capitalizing on the growing demand for hydraulic fittings by expanding their export networks, offering a wide range of products such as nipple fittings, valve fittings, adapters, and couplings. On the import side, India relies on advanced hydraulic components from countries with sophisticated technologies, such as Germany, the United States, and Japan. These imports include high-precision fittings, specialized valves, and advanced materials that may not be locally produced at the required standards. The growing domestic need for high-performance hydraulic systems is driving the influx of these imported products, which complement the local supply and cater to niche applications that require cutting-edge technology. As India's industrial landscape continues to modernize, the trade in hydraulic fittings is expected to see an upward trajectory, with a balanced increase in both exports and imports.

Overview of Direct OEM Supply vs Channel Distribution

Direct OEM Supply

Direct OEM Supply is the process where hydraulic fitting manufacturers sell their products directly to Original Equipment Manufacturers (OEMs). OEMs are companies that assemble machinery, vehicles, or industrial equipment. In this model, fittings are often customized to meet the exact design, performance, and quality requirements specified by the OEM, ensuring a precise fit and high reliability.

This direct relationship allows manufacturers to maintain strict control over product specifications, quality testing, and delivery schedules. By eliminating intermediaries, OEMs benefit from cost savings, competitive pricing, and faster turnaround times. Manufacturers also typically provide ongoing support, including technical documentation, warranty services, and assistance with product integration and installation.

Long-term contracts often characterize these relationships, providing OEMs with a consistent supply of parts and enabling manufacturers to optimize their production planning and resource allocation. This steady partnership fosters innovation, as manufacturers work closely with OEMs to develop new or improved hydraulic fittings tailored to evolving industry needs.

The Direct OEM Supply model is widely used in industries such as automotive and ancillary manufacturing, construction equipment, and industrial machinery, where precision, durability, and reliability are critical. Additionally, this model helps OEMs reduce inventory costs and streamline their supply chains by ensuring timely and accurate deliveries aligned with production schedules.

Channel Distribution

Channel Distribution is a model where hydraulic fittings are sold through intermediaries such as distributors, dealers, and retailers. These channel partners purchase products from manufacturers and then supply them to end-users, smaller manufacturers, or sectors involved in repair and maintenance. This system enables manufacturers to broaden their market reach across various geographic regions and industry segments without directly managing complex sales networks.

Distributors and dealers play a crucial role by maintaining inventory and managing logistics, ensuring that hydraulic fittings are readily available for customers who need them urgently or in smaller quantities. This availability is especially important for repair shops, contractors, and small manufacturers who often require quick access to standard parts to minimize downtime and maintain operational efficiency. Many channel partners also provide valuable technical support to customers. This includes advising on product selection, offering installation guidance, and sometimes providing training to ensure proper use and maintenance of hydraulic fittings. Such support enhances customer satisfaction and helps reduce errors during installation or operation.

The channel distribution model offers flexibility in purchasing options, allowing customers to order fittings in varied quantities and from multiple brands within the same network. This variety supports a wide range of needs, from large-scale industrial projects to small maintenance jobs. Additionally, channel partners often handle marketing and customer service efforts on behalf of manufacturers, helping to build brand awareness and maintain customer relationships at the local level. By leveraging the established presence and expertise of distributors and dealers, manufacturers can focus on product development and large-scale production.

This distribution approach is particularly effective in markets with diverse and dispersed customer bases, where direct sales could be costly or inefficient. Overall, channel distribution is important for ensuring the availability, accessibility, and technical support of hydraulic fittings, making it indispensable for sectors like construction, agriculture, industrial maintenance, and repair services where timely access to reliable parts is essential.

Prevalence of Customized vs Catalogue Products

Catalogue Hydraulic Fittings – Dominance in Volume and Reach

In India, catalogue hydraulic fittings constitute the majority of the market by volume. These are standardized, off-the-shelf components manufactured according to global norms such as JIC, DIN, BSP, SAE, and NPT. Their widespread availability, lower cost, and compatibility across various machines make them the go-to choice for aftermarket sales, repair and maintenance services, and small-scale manufacturers. Due to India's cost-sensitive customer base, catalogue fittings are favoured for their affordability and immediate availability.

Demand Drivers for Catalogue Fittings

The strong demand for catalogue fittings in India is primarily driven by the aftermarket and maintenance sectors, where speed of delivery, ease of installation, and standardization are key requirements. The extensive use of standardized hydraulic equipment in agriculture and construction, especially in Tier 2 and Tier 3 cities, further boosts the preference for catalogue products. Additionally, Indian SMEs in manufacturing often use standard fittings to keep procurement simple and reduce design and inventory complexity.

Customized Hydraulic Fittings – Growing Share in OEM and Export Segments

While catalogue fittings dominate in volume, the share of customized hydraulic fittings is growing steadily in India, especially within the OEM (Original Equipment Manufacturer) segment. These fittings are tailored to meet specific design, performance, and space requirements of large machinery and equipment manufacturers. As India becomes a global manufacturing hub in sectors like automotive, earthmoving machinery, construction equipment, and defence, OEMs are increasingly seeking bespoke solutions for better integration, fluid control, and performance optimization. Customized fittings are also essential in equipment where pressure ratings, angles, space constraints, or corrosion resistance demand unique designs and materials.

India's Transition Towards Engineering-Centric Manufacturing

India's push toward 'Make in India,' combined with increased foreign direct investment (FDI) in industrial and infrastructure projects, is fuelling the demand for high-precision, application-specific fittings. OEMs in India are collaborating with domestic manufacturers for co-designing fittings, focusing on product performance, durability, and space-saving integration. Unlike catalogue parts, customized hydraulic fittings require advanced design capabilities, precision machining, and more involved production planning.

Supply Chain and Economic Considerations

Catalogue fittings continue to offer better economies of scale, shorter lead times, and lower procurement costs. They are ideal for high-turnover, mass-market applications, and situations where part standardization simplifies inventory and servicing. Customized fittings, while higher in unit cost and requiring longer lead times, offer higher margins and deeper integration into the OEM's production cycle. Customized fittings also allow manufacturers to form long-term partnerships with OEMs, offering more predictable demand and higher brand stickiness.

In the Indian hydraulic fittings market, catalogue products dominate in terms of volume, driven by their cost-effectiveness, broad availability, and applicability across common machinery. However, customized fittings are gaining traction, especially as India strengthens its position as a manufacturing and export base for complex equipment. The growth of OEM-led production in construction, automotive, and industrial machinery is creating new opportunities for Indian manufacturers to shift from standard offerings toward value-added, engineering-driven solutions. The future will likely see a hybrid approach, where catalogue fittings continue to serve the mass market while customized solutions cater to precision-driven OEM demand and export requirements.

Trends in product customization and low volume, high variety production

The hydraulic fittings market is undergoing a transformation, driven by rising demand for application-specific solutions and more agile manufacturing capabilities. Key trends are emerging around product customization and low-volume, high-variety production, both of which are critical for serving specialized and fast-evolving industrial requirements.

Product Customization in Hydraulic Fittings

Tailored Connection & Modular Designs

Manufacturers are expanding their offerings to include a wide range of thread types, sealing mechanisms, and coupling formats to meet the requirements of diverse sectors such as aerospace, agriculture, construction, automotive and marine. Modular and configurable designs allow fittings to be easily adapted for varying system pressures, spatial constraints, and fluid compatibility.

Integration of Smart Technologies and Sustainable Materials in Hydraulic Fittings

Modern hydraulic fittings are increasingly being designed with both intelligence and sustainability in mind to meet the evolving demands of end-user industries and regulatory frameworks. On the technological front, manufacturers are embedding sensors and Industrial IoT (IIoT) capabilities into fittings to enable real-time performance monitoring. These smart fittings support predictive maintenance by continuously tracking parameters such as pressure, temperature, and vibration, allowing early detection of potential failures, and minimizing unexpected equipment downtime. Simultaneously, there is a strong industry shift toward the use of environmentally sustainable and application-specific materials.

Growth in Digital Customization Tools

Leading players are investing in online configurators and digital catalogues that allow customers to design and order tailored fittings directly. These platforms enable efficient order processing and better support low-volume, high-precision requirements.

Agile and Flexible Manufacturing

Manufacturers are adopting reconfigurable production lines and flexible tooling systems that support quick changeovers between product variants. This flexibility minimizes downtime and accommodates fluctuating demand across end-user segments.

Data-Driven Production Management

Integration of ERP systems and business intelligence tools with manufacturing lines allows real-time adjustment of batch sizes and product configurations based on customer demand and market forecasts. The convergence of

advanced manufacturing technologies, digital tools, and market-specific customization is reshaping the hydraulic fittings industry.

Key demand drivers

High-Pressure Infrastructure Demands

A growing share of new hydraulic installations in India requires fittings designed for very high-pressure applications. This trend is largely driven by the rapid expansion of sectors such as mining, construction, and port infrastructure under initiatives like the National Infrastructure Pipeline and PM Gati Shakti. As a result, demand is increasing for high-tensile alloy fittings with advanced sealing technologies.

Agriculture and Mechanization

According to the Ministry of Agriculture and Farmers Welfare indicates that mechanized farming is accelerating, with tractor density surpassing 80 units per 1,000 hectares in states like Punjab and Haryana. This shift has increased the need for hydraulic fittings compatible with mobile agricultural implements. Flexible and quick-disconnect variants have become critical, especially for field repairs and precision farming, supported by ICAR's findings on rotary application growth.

Industrial Automation Integration

Hydraulic fittings are playing a critical role in the shift toward automated manufacturing systems. Industries are integrating these fittings into robotic arms, automated assembly lines, and material handling equipment to improve operational efficiency. The demand is moving toward modular designs that are easier to install and remove, often without specialized tools. Quick-connect features are becoming essential to reduce downtime during maintenance. These fittings also offer flexibility to adapt to frequent layout changes and upgrades in smart factories, making them important for modern industrial setups.

Energy Sector Requirements

The energy sector places high demands on hydraulic systems, particularly in pipeline infrastructure, refineries, and renewable energy installations. These applications require fittings that are not only high-pressure and leak-resistant but also resistant to corrosion from chemicals and harsh environmental conditions. Smart designs that allow real-time monitoring and diagnostics are gaining traction to ensure uninterrupted operations. The emphasis is on durability, safety, and minimal fluid loss, which are crucial for maintaining system efficiency and meeting regulatory standards.

SKU Breadth and Customer Retention

In the highly customized field of hydraulic systems, offering a broad range of SKUs (Stock Keeping Units) has become a strategic lever for customer retention. Distributors and manufacturers that maintain a wide product catalogue can meet varied customer needs more efficiently, whether it's a niche fitting for a specific machine or a large-volume order for OEMs. This flexibility often leads to higher customer satisfaction, faster order fulfilment, and stronger loyalty. Customers in sectors like automation, heavy equipment, and industrial utilities prefer vendors who can respond quickly to custom or urgent requests, making SKU diversity a strong value proposition.

Aftermarket

A significant portion of demand also comes from the aftermarket segment, where hydraulic systems require frequent maintenance due to pressure-induced wear and fluid leakage. Hydraulic fittings are among the most commonly replaced components in such systems. Maintenance teams typically seek suppliers with a wide variety of fittings readily available, as delays in sourcing can lead to prolonged equipment downtime. Distributors that stock a comprehensive range of fittings including various thread types, configurations, and materials gain an advantage in this segment by enabling faster service and minimizing unplanned operational halts.

Key Challenges

Fragmented and unorganized supply chain

The Indian hydraulic fittings industry is largely dominated by small and medium enterprises (SMEs), with only a few large players. This fragmented structure creates challenges in maintaining standardization and quality consistency across the supply chain. Different suppliers may follow different production practices, leading to variation in performance and reliability of fittings.

Skilled workforce shortage

The industry requires highly skilled technicians, engineers, and machinists with expertise in hydraulics, precision machining, and assembly techniques. However, there is a notable gap in technical training and specialized education in India for this domain

Compliance and standardization challenges

To compete globally or supply to high-end domestic industries (such as aerospace, defence, or oil & gas), manufacturers must comply with strict quality and safety standards such as ISO, DIN, and SAE certifications. Smaller firms often lack the infrastructure, testing facilities, and documentation practices required to meet these norms.

Intense price competition and margins pressure

The Indian market is highly price sensitive. Buyers often choose fittings based on cost rather than performance or durability. This puts immense pressure on manufacturers to reduce prices, sometimes at the expense of quality

Dependence on imported raw materials

India lacks sufficient domestic production of high-grade materials like stainless steel alloys, carbon steel, and special sealing polymers used in advanced hydraulic fittings. Manufacturers depend heavily on imports, especially for high-tensile and corrosion-resistant metals. This dependency exposes the industry to fluctuations in international prices, currency volatility, and global trade restrictions.

Low R&D and innovation investment

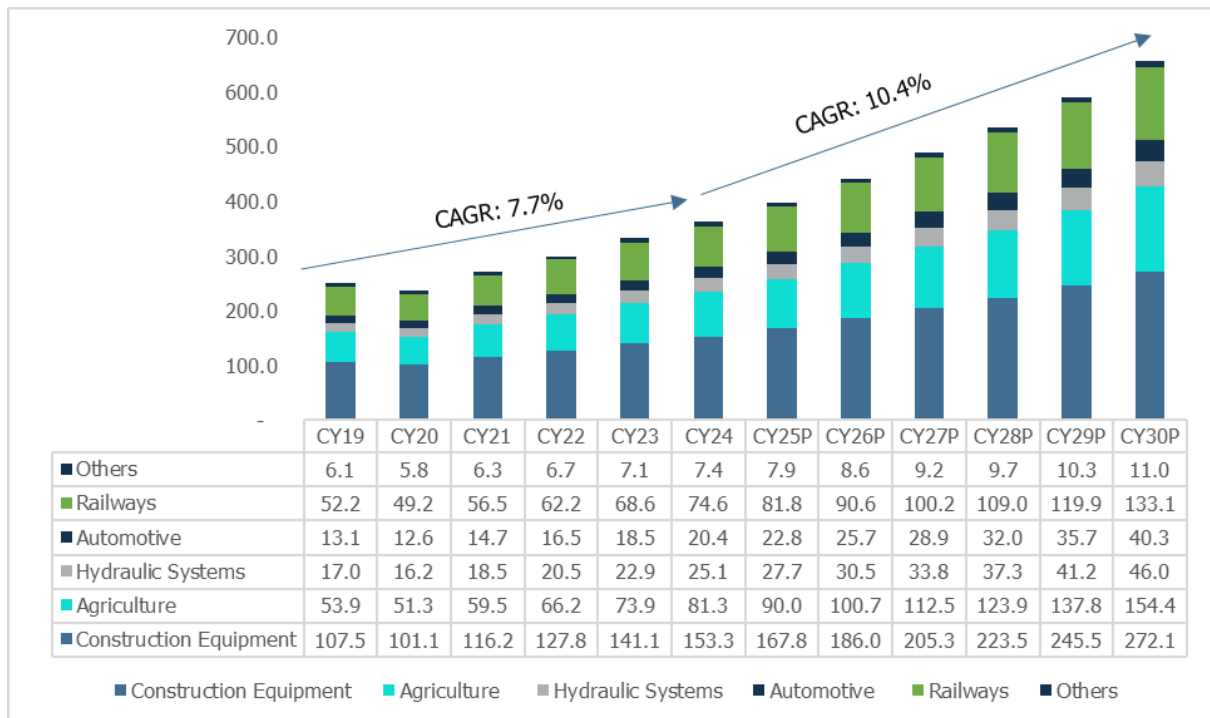
Despite growing demand for advanced and application-specific hydraulic solutions, R&D spending in the Indian hydraulic fitting sector remains minimal.

Key End User Industries

The usage of hydraulic fittings can be segregated into end use industries such as construction equipment, mining equipment etc. and intermediaries such as Injection Moulding Machines as detailed below:

- **Agricultural equipment:** farming equipment
- **Construction equipment:** Earth Moving, Road Construction, Concrete equipment
- **Automotive:** Heavy Vehicle
- **Railways**
- **Hydraulics System**
- **Other equipment:** Vibration control systems for Trains & High story building, Hydraulic lifts, Crushers

Consumption of Hydraulic Fitting across end-user industries



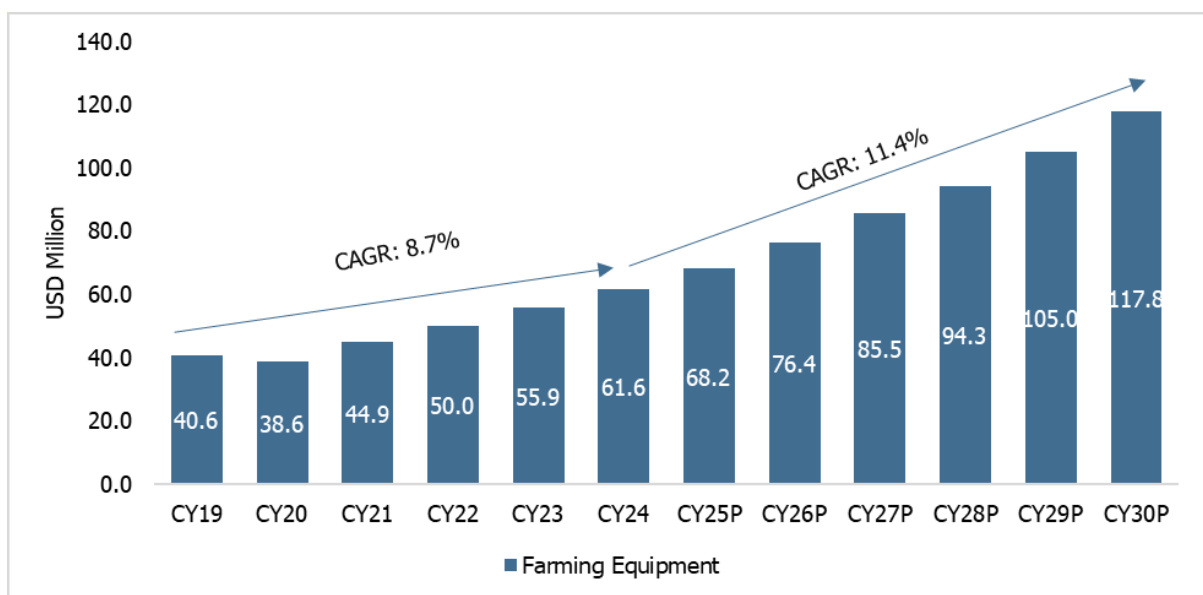
Source – Maia Research, CareEdge Research

Agriculture

India's agriculture sector contributes ~16% of India's GDP and employs ~45% of its workforce. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investment in agricultural infrastructure such as irrigation facilities, warehousing, and cold storage.

Over the years, the Government of India has been providing policy support in the form of growing institutional credit, introduction of new schemes such as Paramparagat Krishi Vikas Yojana, Pradhanmantri Gram Sinchai Yojana, Sansad Adarsh Gram Yojana and others while increasing exports of farm produce. Cash support in the form of direct bank transfer to farmers under PM-KISAN scheme contributed to the spending capacity of rural India engaged in agriculture. With the sustained Government focus, the sector is expected to see continued revival in investments.

India Hydraulics Fitting consumption in Agricultural Equipment sector



Source – Maia Research, CareEdge Research

The consumption of hydraulics fittings in the agriculture sector in India has shown a steady growth trajectory over recent years, reflecting the increasing adoption of mechanized farming and the need for efficient agricultural machinery. India is projected to grow faster in comparison with global consumption, as the demand for hydraulic systems continues to rise.

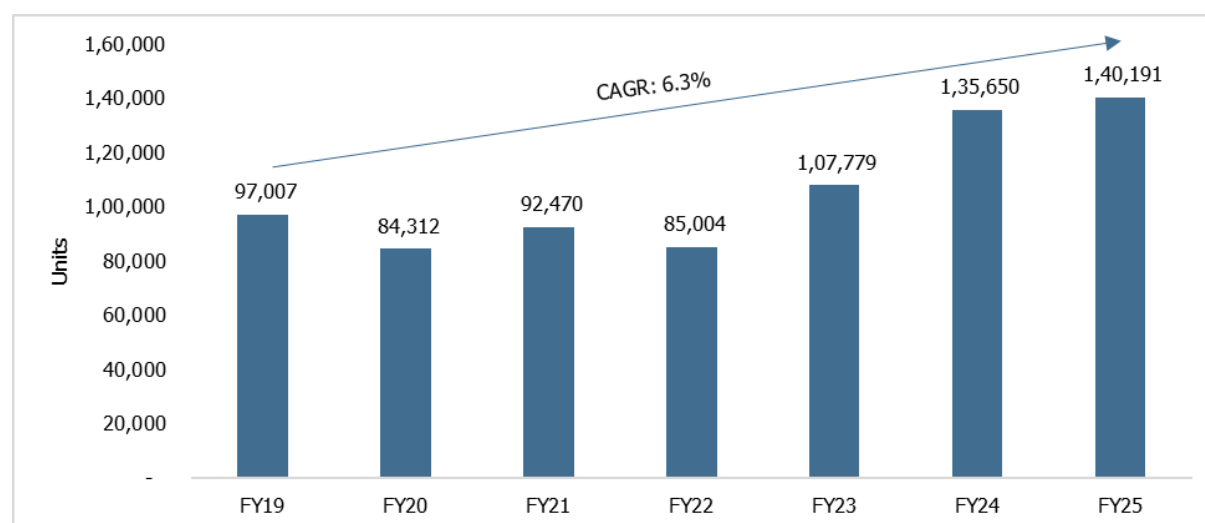
The focus on farm mechanization is led by the need for enhancing agriculture productivity and availability of food grains, increasing agriculture exports, mitigating labour shortage, and also facilitating judicious use of scarce natural resources and farm inputs. This will also lead to increase in adoption of various agricultural machinery such as tractors, automatic seed dispensers, harvesting machines etc.

Construction Equipment

India is the third largest Construction Equipment (CE) market globally, surpassing Japan. The Indian CE sector employs more than 3 million people, both directly & indirectly and is represented by a vibrant mix of MNCs and Indian companies. The construction equipment industry has a strong positive correlation with the progress in road construction and mining activities.

The construction sector is projected to grow by **8% to 10%** in FY26, reflecting strong demand driven by infrastructure and urban development projects. This growth is directly linked to the construction equipment industry, as increased construction activity fuels demand for machinery like cranes, bulldozers, and excavators. Public investments in infrastructure and advancements in technology, including automation and digitalization, further boost equipment utilization and sales. Consequently, the robust expansion of the construction sector in FY25 signals continued growth for the construction equipment industry, driven by higher machinery demand to meet growing project requirements.

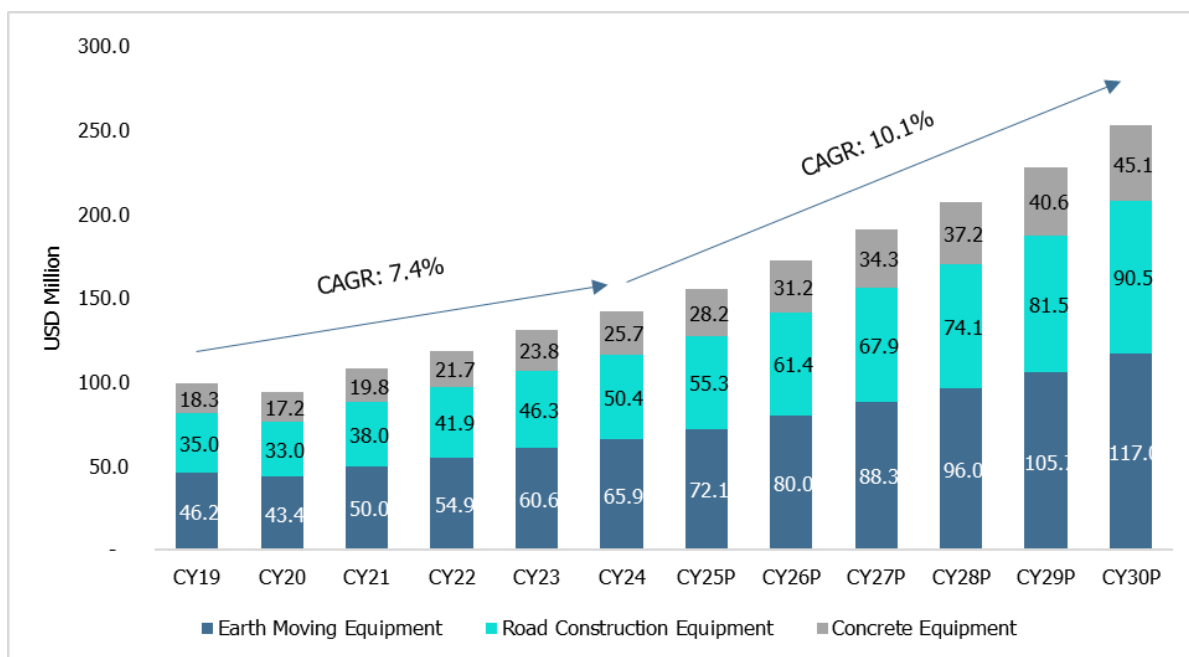
Annual sales across all equipment categories



Source: ICEMA, CareEdge Research

The construction equipment market has seen significant growth in recent years, fuelled by increasing demand for infrastructure development and advanced machinery. The segment wise share in sales (based on sales volume in FY24) is given below:

Hydraulic Fittings Consumption in Construction Equipment sector in India



Source – Maia Research, CareEdge Research

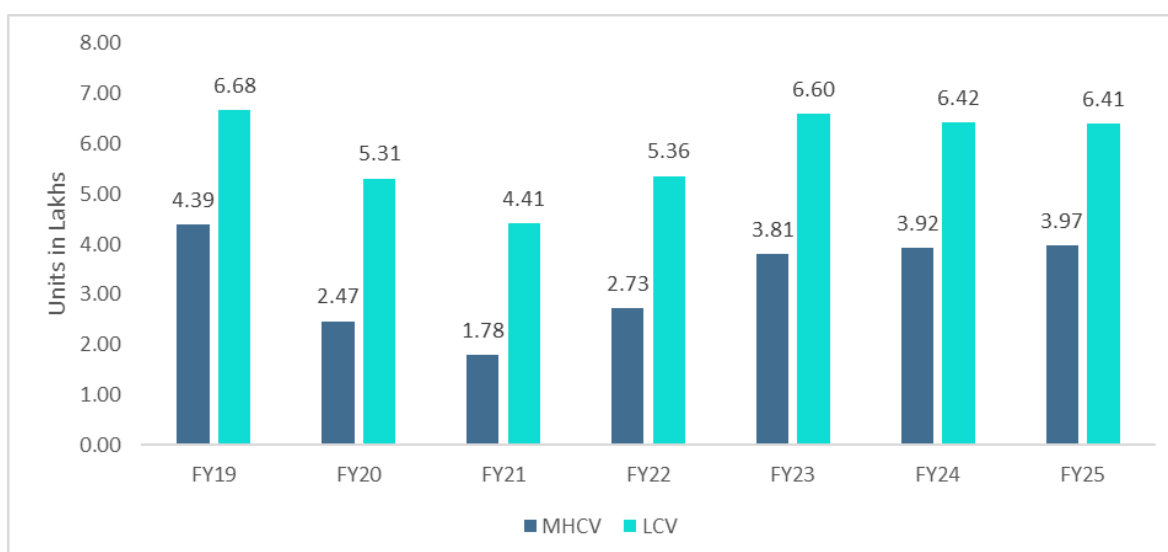
Automotive

The automotive industry is considered to be one of the major drivers of economic growth due to its linkages with multiple industries. The growth of this sector benefits commodity sector as vehicle manufacturing require steel, aluminium, plastic, etc. The automobile industry in India is one of the largest in the world with sales of about 25.6 million units in FY25. Its contribution to the GDP of India stands at around ~7%.

Trends in Medium and Heavy Commercial Vehicle (MHCV) and Light Commercial Vehicle (LCV)

The growth in MHCV is considered to be a crucial indicator for pickup in investment activity while growth in LCV is considered as indicator of consumption demand. The MHCV and LCV segments which are both part of Commercial vehicle and are the end users of hydraulic fittings have witnessed consistent growth in the period FY21 to FY25. It was driven by growth in infrastructure projects, recovery in rural demand, increased investment activity, etc. However, there has been a sharp decline in the sales of the CVs in FY20 onwards. This can be attributed to various factors such as excess freight capacity owing to improved turnaround time post GST & revised axle load norms, transition to BSVI, slowdown in economy, outbreak of Covid-19 etc.

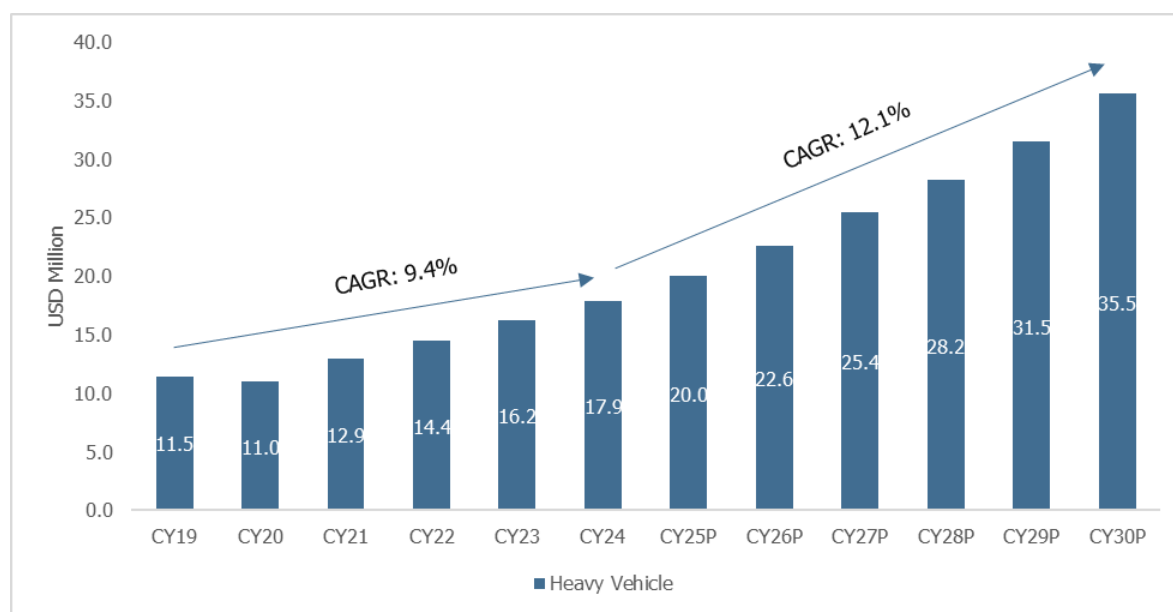
Sales trend of MHCVs and LCVs in India



Source – CMIE, CareEdge Research

Though the industry has a strong long-term growth potential but currently, there are some challenges being faced. The Russia-Ukraine war has once again aggravated the semiconductor shortage with some OEMs reducing production. Russia has around 44% of the global supplies of palladium whereas Ukraine produces nearly 70% of the global supply of neon which are the two key raw materials used to make semiconductors. This is likely to impact the demand for auto components industry going ahead. Therefore, challenges such as semiconductor shortage, any further increase in raw material prices and escalating freight costs may restrict the growth in short-term.

Consumption of Hydraulics Fitting in Automotive sector in India



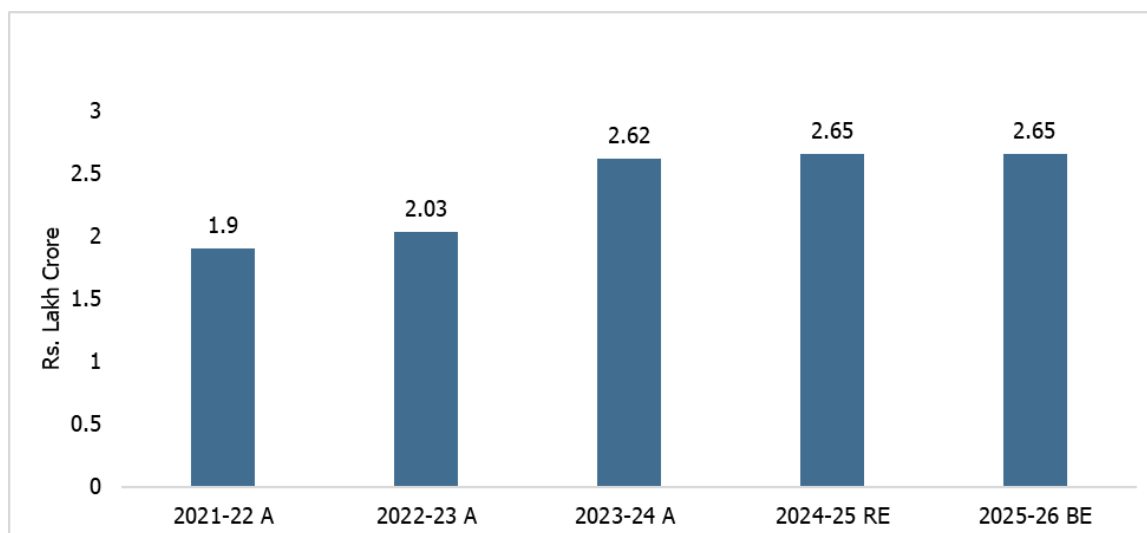
Source – Maia Research, CareEdge Research

Railways

Indian railways globally account for the third largest network under single management with over 68,584 route kms. The rail network is suitable for transportation of bulk commodities and movement over long distances. Investments have been made by Indian Railways to improve safety, enhance speed of trains, enhance freight efficiency, improve passenger amenities and ensure better connectivity. Between 2014-15 and 2023-25, Indian Railways laid a total of 32,557.7 km of tracks, averaging approximately 8.9 km per day. This total includes new line construction, doubling, tripling, and gauge conversion projects.

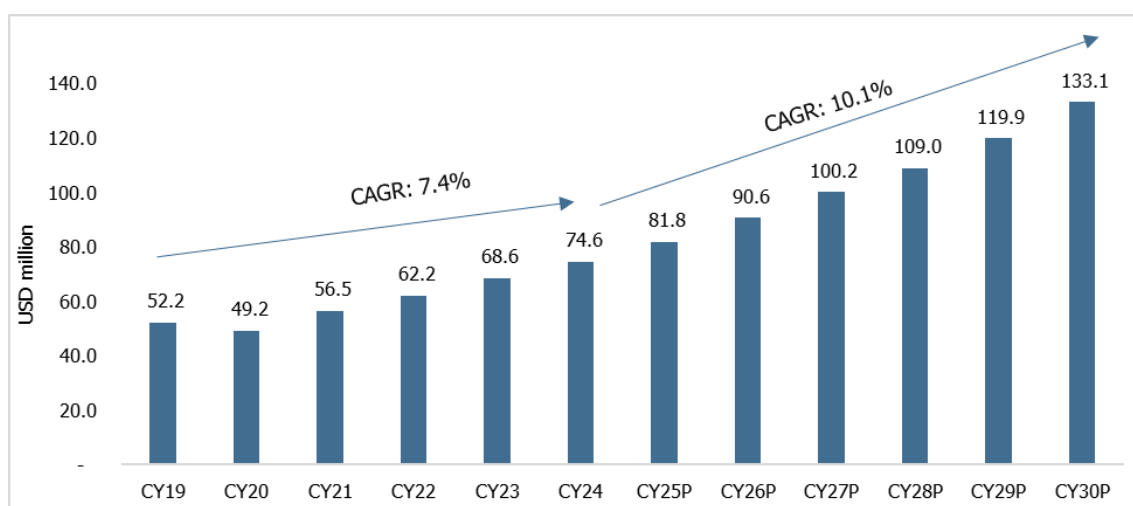
Moreover, keeping in line with Government's continued focus on infrastructure development, the Government has allocated Rs 2.65 lakh crore (Budget Estimates) towards railways in the union budget 2025-26. In addition, several schemes launched by the Government is expected to positively impact the industry. In August 2020, the Government announced National Infrastructure Pipeline (NIP), and it includes both economic and social infrastructure project and the total outlay under this scheme is Rs 111 lakh crores out of which railways accounts for a share of 13%. It was launched with 6,835 projects, which has expanded to over 9,000 projects covering 34 infrastructure sub-sectors. NIP and other Government schemes are expected to attract more investments in the sector and lead to creation and enhancement of rail infrastructure which augurs well for the railways industry.

Capital expenditure allocation towards railways



Source: Union Budget 2024-25 documents

Indian Consumption of Hydraulic Fittings in Railways



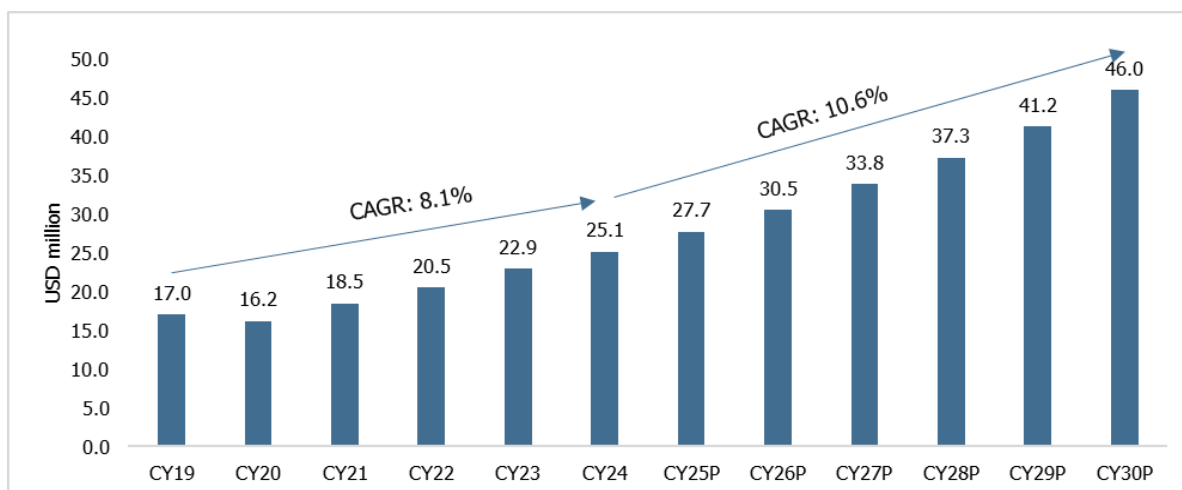
Source – Maia Research, CareEdge Research

The expected CAGR until CY30 is around 10.1%, driven by the modernization of India's railways, the adoption of more efficient technologies, and the expansion of the country's railway network.

Hydraulic System

Hydraulic systems are integral to a wide range of industries, enabling the transfer of energy through pressurized fluid to perform various mechanical tasks. These systems are composed of key components such as pumps, valves, actuators, and hydraulic fittings, all of which work in unison to ensure the system operates efficiently and reliably. Hydraulic fittings, in particular, are essential in connecting hoses, tubes, and pipes within the system, providing secure, leak-resistant joints that can withstand high pressure and demanding environments. As the demand for advanced hydraulic applications in sectors such as construction, manufacturing, and automotive continues to rise, the growth of hydraulic systems and fittings remains robust. Ongoing innovations in the design and material of hydraulic fittings are enhancing the performance and longevity of these systems, further driving market expansion.

Indian Consumption of Hydraulics Fitting in the Hydraulic System

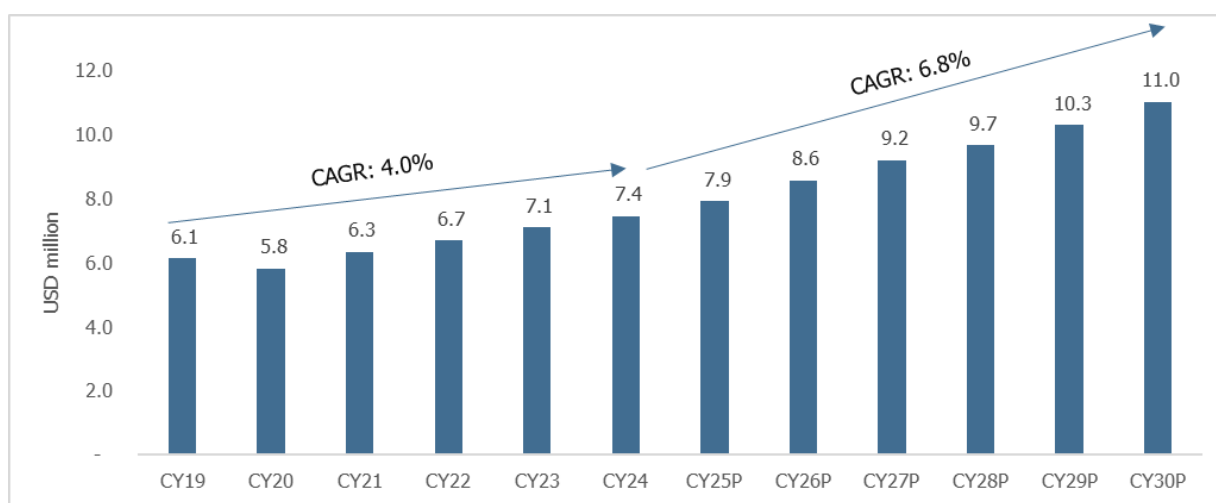


Hydraulic fittings play a crucial role in ensuring the secure, leak-proof connection of various components within hydraulic systems, which are vital for efficient power transmission and control. With the market expected to grow at a projected CAGR of 10.6% from CY24 to CY30, reaching USD 46.0 million by CY30, the demand for hydraulic fittings is set to rise in tandem with the increasing adoption of advanced hydraulic technologies in sectors like manufacturing, construction, and agriculture. This growth reflects a broader trend of modernization in hydraulic systems, driven by the need for greater efficiency, durability, and reliability in high-pressure environments.

Other Sectors

The hydraulic fitting sector plays a pivotal role across a wide range of industries, serving as an essential component in the efficient operation of hydraulic systems used in various applications. These fittings, which ensure the secure connection of hydraulic components, are integral to sectors such as construction, transportation, mining, material handling, and manufacturing. As global industries continue to expand, the demand for high-quality hydraulic fittings has surged, driving significant export activity. Countries like India have become key exporters of hydraulic fittings, supplying critical components for machinery used in construction equipment, vibration control systems for trains and high-rise buildings, hydraulic lifts, and crushers in mining operations. The export of hydraulic fittings not only supports the growth of these industries but also highlights the global reliance on engineered components that ensure the safety, efficiency, and durability of hydraulic systems. With ongoing technological advancements and increasing infrastructure projects worldwide, the role of hydraulic fittings in these end-user industries continues to grow, fostering international trade and contributing to economic development.

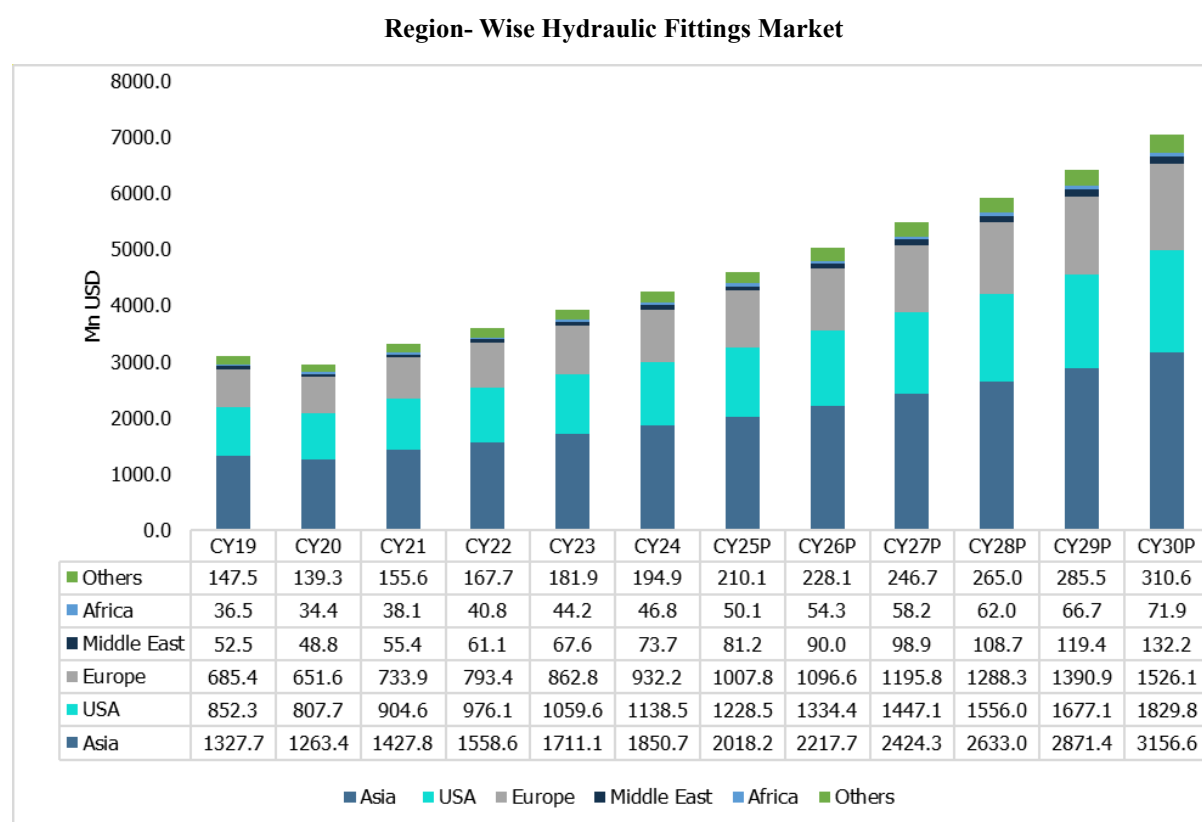
Indian Consumption of Hydraulic Fitting in Other Sectors



Source – Maia Research, CareEdge Research

This growth highlights the critical role of hydraulic fittings in supporting India's industrial and infrastructure development.

Region- Wise Hydraulic Fittings Market



Source – Maia Research, CareEdge Research

The hydraulic fittings market is experiencing dynamic growth globally, with significant trends emerging across various regions. In Asia, particularly in China and India, industrialization and infrastructure development are driving the demand for hydraulic systems, fuelling the need for hydraulic fittings.

The hydraulic fittings market in Asia grew at a CAGR of 6.9% from CY19 to CY24 and is expected to grow at CAGR of 9.3% from CY24 to CY30.

Meanwhile, the Middle East is witnessing increased demand due to large-scale oil and gas projects, where high-performance hydraulic systems are essential. The development of renewable energy sources in the region, such as solar and wind, is also contributing to the market expansion. The hydraulic fittings market in the Middle East grew at a CAGR of 7.0% from CY19 to CY24 and is expected to grow at CAGR of 10.2% from CY24 to CY30.

In the USA, the hydraulic fittings market is driven by advancements in automation, aerospace, and agriculture. The country's focus on manufacturing innovations and infrastructure upgrades supports the growing need for hydraulic components. The hydraulic fittings market in the USA grew at a CAGR of 6.0% from CY19 to CY24 and is expected to grow at CAGR of 8.2% from CY24 to CY30.

Europe follows a similar pattern, with increased investments in industrial automation and green technologies like electric vehicles (EVs) and renewable energy contributing to market growth. The demand for hydraulic fittings in sectors such as construction, mining, and transportation is also prominent in this region. The hydraulic fittings market in Europe grew at a CAGR of 6.3% from CY19 to CY24 and is expected to grow at CAGR of 8.6% from CY24 to CY30.

In Africa, while the hydraulic fittings market is still emerging, the oil and gas industry, along with mining operations, is increasingly driving demand for hydraulic systems. The hydraulic fittings market in Africa grew at a CAGR of 5.1% from CY19 to CY24 and is expected to grow at CAGR of 7.4% from CY24 to CY30.

Raw materials Used

Depending on the end use of hydraulic fittings, fittings are expected to have enough strength to deal with high pressure in hydraulic systems. Fittings should also be corrosion resistant from hydraulic fluids used while operating hydraulic systems.

- **Stainless Steel** has high corrosion resistant properties. It has additions of chromium and other elements such as nickel. Stainless steel has a protective layer of chromium to resist corrosion as the added layer of chromium creates a barrier between the oxygen in the environment and iron content in the metal. Stainless Steel is one of the most suitable materials to be used for manufacturing hydraulic fittings.
- **Carbon Steel** is defined by its carbon content, and it leads to a lower melting point, more malleability and durability and has its own different mechanical properties based on the carbon content.

Production of Finished Steel

Domestic crude steel production has grown at a CAGR of 9.9% in the past five years reaching 152 MT in FY25 from 104 MT in FY21. On the other hand, finished steel production has grown at a CAGR of 11.2% to 147 MT in FY25 from 96 MT in FY21. The growth in production has been backed by a rise in domestic steel consumption on account of growing economic activities in the country supported by an increase in infrastructure and construction spending by the government, a rise in automobile and consumer durable demand, among others.

As per the National Steel Policy 2017, the target of Government is to set the crude steel production to 300 MT by 2030-31.

Steel production and consumption

(in MT)	FY21	FY22	FY23	FY24	FY25	Y-o-Y Growth %
Crude Steel Production	104	120	127	144	152	7.60%
Finished Steel Production	96	114	123	139	147	5.70%
Finished Steel Consumption	95	106	120	136	152	11.70%

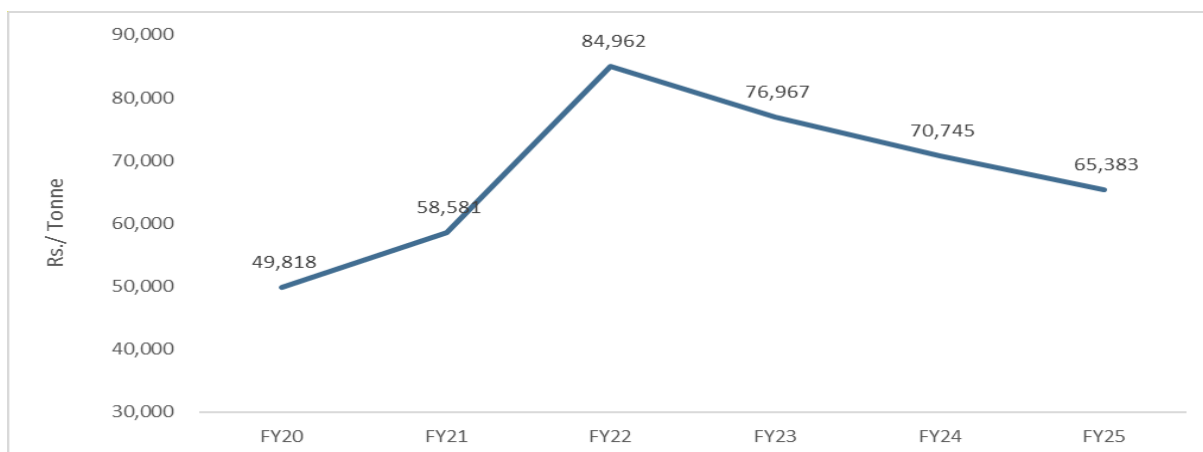
Source: CMIE

Domestic finished steel consumption has increased at a CAGR of about 12.4% to 152 MT in FY25 from 95 MT in FY21. After a steady increase in steel production, India observed in FY21 due to the outbreak of Covid-19 pandemic. The rebound in domestic demand from the impact of Covid-19 in previous financial years, continuous investment in infrastructure and policy support by the government, and pick-up in real estate construction during FY23 have led to an increase in consumption of finished steel to 120 MT, implying a y-o-y growth of 13.4%. Further, during FY25 the finished steel production and consumption grew by 5.7% y-o-y and 11.7% y-o-y respectively as compared to its previous year.

Steel Prices

Between FY20 and FY22, steel prices saw a sharp rise. In FY20, steel price was Rs 49,818, which increased moderately to Rs 58,581 in FY21. However, in FY22, prices surged significantly to Rs 84,962, marking an increase of over 45% from the previous year. From FY22 onwards, a downward trend is observed in steel prices. In FY23, prices declined to Rs 76,967, followed by a further decrease to Rs 70,745 in FY24 and Rs 65,383 in FY25.

Trend in Steel Prices



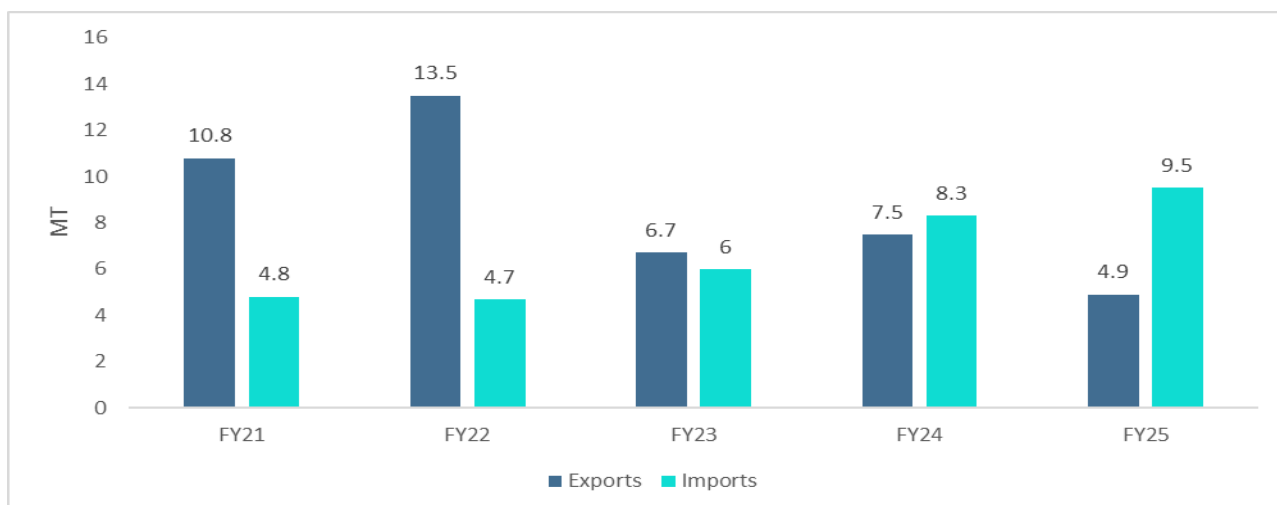
Source: CMIE

Steel Trade Data

Exports

India's steel trade patterns have changed significantly in the last few years. During FY25, the exports of the country fell sharply by 35.1% year-on-year, extending the decline from FY23. Poor foreign demand, increased competition from cheap Chinese steel—particularly in the Middle East and Vietnam—and lowered exports to major markets such as Italy were responsible for this fall. Despite the overall decline, Italy, Belgium, and the UAE continued to be the most popular destinations for Indian steel.

India Exports and Imports



Source: CMIE

Note: YTD refers to April to September

Imports

Having been a net exporter for four years in a row, India became a net importer of steel in FY24. Imports rose by 38% year-on-year, from 6 MT in FY23 to 8.3 MT in FY24. This increase was led mainly by low-cost steel imports from Russia and higher Chinese volumes. Imports continued to be high in FY25, increasing 14.6% y-o-y, driven by the arrival of low-cost flat products of steel and special grades which are either not available locally or are short-supplied. Segments like automobile, defence, railways, shipbuilding, and power continued to require these high-grade materials.

Outlook and Trends

Impact of industry 4.0, IoT on hydraulic components manufacturing

Smart Factories

Hydraulic manufacturing units in India are increasingly evolving into smart factories by adopting automation, robotics, and AI-driven systems. These smart factories integrate sensors and software across production lines, enabling automation of tasks such as machining, assembly, leak testing, and finishing.

Digital Twin Technology

Digital twin technology enables manufacturers to create virtual replicas of hydraulic systems and components, which can be used for simulation, testing, and optimization before physical production. This reduces the need for multiple prototypes, cutting development time and costs. Especially in applications like heavy machinery, aerospace, and defence, digital twins help ensure that the final product performs reliably under real-world conditions, improving customer satisfaction and system performance.

Predictive Maintenance

With the integration of Industry 4.0, predictive maintenance has become a vital tool. IoT sensors installed in hydraulic machines collect real-time data on pressure, temperature, fluid levels, and vibrations

Mass Customization

The hydraulic industry in India is moving toward low-volume, high-mix production using smart manufacturing tools. Modular tooling and flexible production lines enable quick customization of components such as fittings, cylinders, and actuators to meet specific customer requirements.

Sensor-Driven Monitoring via IoT and Remote Diagnostics

IoT plays a central role in modernizing hydraulic equipment. Embedded sensors monitor operational parameters like oil temperature, flow rate, and pressure in real time. This feature is especially beneficial in industries such as mining, offshore oil rigs, and remote agricultural operations where service access is difficult and costly. Remote control capability also reduces machine downtime and improves response time to maintenance issues.

Quality Assurance via Machine Vision

To ensure international-grade quality, AI-enabled machine vision systems are now used in production lines to inspect hydraulic parts. These systems automatically detect surface defects, thread damage, or incorrect dimensions at high speed and with greater accuracy than manual inspection.

Sustainability Advancements

Industry 4.0 supports sustainability by improving resource efficiency. Smart hydraulic systems reduce fluid leakages, optimize component lifespans, and minimize waste through predictive maintenance and efficient design.

Opportunities in defence, railways (IRIS, MoD approvals)

The hydraulic fittings industry in India is experiencing growing opportunities in strategic sectors like defence and railways, driven by modernization initiatives, policy support, and a strong focus on indigenization. These sectors require highly specialized, high-performance hydraulic components that can operate reliably under demanding conditions, opening doors for certified and technologically advanced manufacturers.

In the defence sector, the push for self-reliance through government programs such as Make in India and Atmanirbhar Bharat has significantly increased the demand for locally manufactured hydraulic systems and fittings. These components are widely used in critical defence applications, including tanks, armoured vehicles, aircraft landing gear, naval equipment, and missile systems. To supply to defence programs, manufacturers must obtain necessary clearances and certifications from the Ministry of Defence (MoD), including approvals from agencies like the Directorate General of Quality Assurance (DGQA).

The development of defence industrial corridors in Uttar Pradesh and Tamil Nadu is further expected to boost local manufacturing, creating a cluster-based demand for certified hydraulic components.

Similarly, the Indian Railways sector is undergoing a rapid transformation with projects like Vande Bharat, high-speed trains, electrification, and modern coach manufacturing. Hydraulic systems are critical in areas such as braking mechanisms, suspension systems, coupling devices, and maintenance vehicles. To participate in these projects, manufacturers are required to meet stringent quality standards, notably through obtaining the IRIS (International Railway Industry Standard) certification, which is increasingly being recognized by both Indian and global railway OEMs. This certification not only improves access to Indian Railways tenders but also opens the door for global export contracts with companies like Alstom, Siemens, and Bombardier. Further, the Research Designs and Standards Organisation (RDSO) plays a key role in evaluating and approving products for railway applications, and manufacturers who align with these specifications are prioritized in procurement processes. The expansion of metro rail networks across major Indian cities and the setup of new rolling stock production units are further strengthening the demand for reliable and localized hydraulic solutions.

Indian hydraulic fittings manufacturers have an opportunity to enhance their positioning by investing in product localization, advanced design capabilities, and compliance certifications such as IRIS, ISO 3834, AS9100 (for aerospace), and MoD approvals. These certifications not only improve eligibility for defence and rail contracts but also ensure adherence to international standards, increasing trust and export readiness.

ESG, Carbon-neutral certification in OEM selection

Environmental, Social, and Governance (ESG) factors, along with carbon-neutral certifications, are increasingly influencing OEM selection processes in the hydraulic fittings industry. Global OEMs are now prioritizing suppliers who align with their sustainability and ethical sourcing goals. This shift is driven by tightening environmental regulations, growing investor pressure, and customer demand for greener supply chains.

For hydraulic fittings manufacturers, ESG compliance means adopting sustainable practices across operations, including efficient resource use, responsible waste management, safe labour practices, and transparent governance.

Carbon-neutral certification is becoming a key differentiator. OEMs are increasingly asking suppliers to calculate, reduce, and offset their carbon emissions across the manufacturing and logistics value chain. In response, Indian hydraulic fittings manufacturers are gradually adopting cleaner production methods, energy-efficient equipment, and sustainable packaging solutions.

Key Policies and Government Initiatives

Some of the key policies that the Government introduced for major end user industries of hydraulic fittings industry is stated below. They are indirectly expected to benefit hydraulic fittings industry.

Production Linked Incentive (PLI) scheme

In the Union Budget 21-22, the Government announced a financial outlay of Rs 1.97 lakh crores for Production Linked Incentive (PLI) scheme for 13 key sectors for a period of 5 years starting from FY22. This is line with the vision of the Government of an 'Aatmanirbhar Bharat'. The objective of this scheme is to encourage domestic manufacturing in the country and help them become globally competitive. The PLI schemes for remaining 10 sectors was approved in November 2020 as follows:

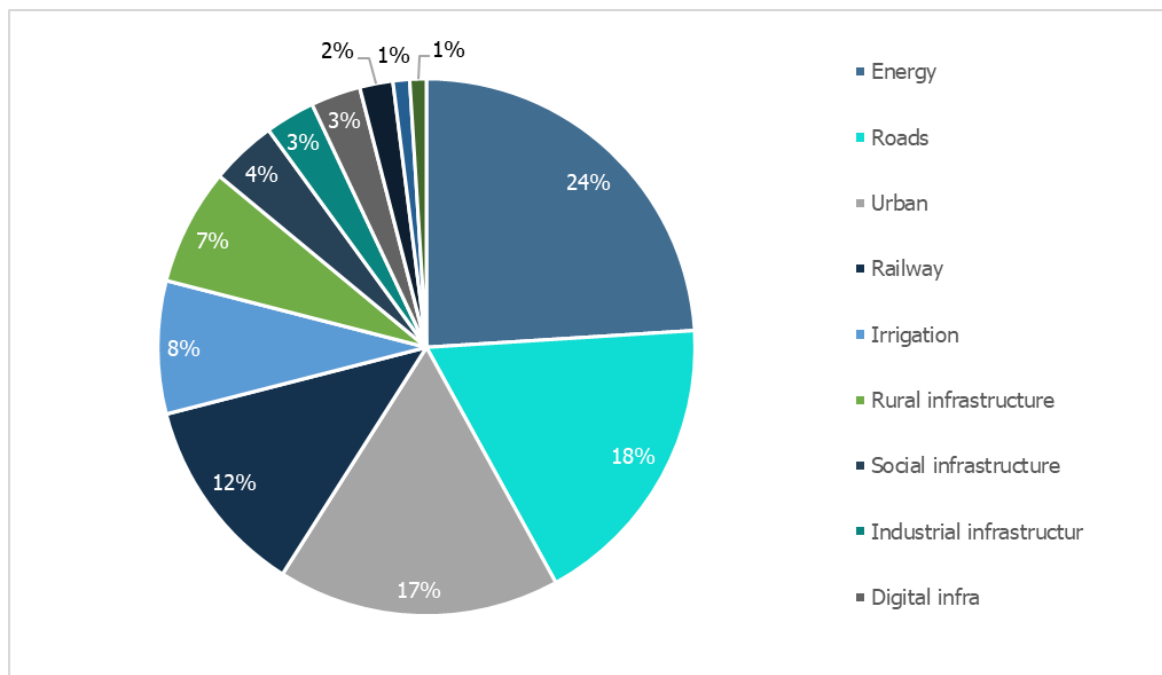
Priority	Sectors	Implementing Ministry/Department	Financial Outlay (in Rs crores)
1	Advance Chemistry Cell (ACC) Battery	NITI Aayog & Department of Heavy Industries	18,100
2	Electronic /Technology Products	Ministry of Electronics & Information Technology	5,000
3	Automobiles & Auto Components	Department of Heavy Industries	57,042
4	Pharmaceutical Drugs	Department of Pharmaceuticals	15,000
5	Telecom & Networking Products	Department of Telecom	12,195
6	Textile Products: MMF segment and technical textiles	Ministry of Textiles	10,683
7	Food products	Ministry of Food Processing Industries	10,900
8	High Efficiency Solar PV Modules	Ministry of New & Renewable Energy	4,500
9	White Goods (ACs & LEDs)	Department for Promotion of Industry & Internal Trade	6,238
10	Speciality Steel	Ministry of Steel	6,322
		Total	1,45,980

Source: Press release by PIB

National Infrastructure Pipeline (NIP)

The Government announced in August 2020 the National Infrastructure Pipeline (NIP) to achieve the GDP of USD 5 lakh crore by 2024-25. NIP includes both economic and social infrastructure project and the total outlay under this scheme is Rs 111 lakh crore

Sector wise breakup under NIP



Source: National Infrastructure Pipeline, CareEdge Research

PM GatiShakti

This scheme was launched in October 2021 and the PM Gati Shakti - National Master Plan for Multi-modal Connectivity is primarily a digital platform to bring several ministries together to ensure integrated planning and coordinated implementation of infrastructure connectivity projects. The approach under this scheme will be driven by 7 engines:

- Roads
- Railways
- Airports
- Ports
- Mass transport
- Waterways
- Logistics infrastructure

In the Union Budget 2022-23, the Government announced that the projects pertaining to these 7 engines in the National Infrastructure Pipeline will be aligned with PMGati Shakti framework.

Sub-Mission on Agriculture Mechanization (SMAM)

The Sub- Mission on Agriculture Mechanization (SMAM) launched in FY14-15 is scheme under which the Government of India aids State Government to provide demonstration and training of new farm machinery to the farmers and also support them in procurement of agriculture machineries and equipment. The scheme aims to enhance farm mechanization to marginal farmers to improve the productivity.

The Automotive Mission Plan 2016-26

The Automotive Mission Plan 2016-26 (AMP 2026) is the collective vision of Government of India (Government) and the Indian Automotive Industry on where the Vehicles, Auto components, and Tractor industries should reach over the next ten years in terms of size, contribution to India's development, global footprint, technological maturity, competitiveness, and institutional structure and capabilities.

National Automotive Testing and R&D Infrastructure Project (NATRiP)

The National Automotive Testing and R & D Infrastructure Project (NATRiP) is an initiative of the Government of India in the automotive sector. The aim of this Project is to improve the core competencies in Automotive sector in India and facilitate seamless integration of Indian Automotive industry with the world as also to position the country prominently on the global automotive map.

Atmanirbhar Bharat

The Atmanirbhar Bharat Scheme and Make in India Scheme are two significant initiatives launched by the Indian government to promote self-reliance, boost domestic manufacturing, and enhance India's global competitiveness. The Atmanirbhar Bharat Scheme, announced in 2020, focuses on making India self-sufficient in various sectors by encouraging local production, innovation, and reducing dependency on imports. It includes measures such as financial support for micro, small, and medium enterprises (MSMEs), increasing production in key sectors, and promoting innovation and entrepreneurship.

Make in India

The Make in India Scheme, launched in 2014, aims to position India as a global manufacturing hub by attracting foreign investment, improving infrastructure, and fostering innovation. It focuses on promoting manufacturing in 25 key sectors, including defence, automotive, textiles, and electronics, with the goal of creating jobs, enhancing skills, and boosting exports. Both schemes complement each other by encouraging the growth of local industries, supporting the economy, and helping India become a major player in the global supply chain.

Risks and Challenges to the products of the issuer's company

Volatile prices of raw materials

As steel is one of the primary raw materials used in the manufacturing of hydraulic fittings, its fluctuating prices can affect the operational income of hydraulic fittings' manufacturers. Constant shifts in consumption pattern during the pandemic has caused high volatility in demand for raw materials which could adversely affect the manufacturers. Furthermore, global marketplaces that are volatile can also affect the fittings' manufacturers as it may not be possible for them to control additional costs, expenses, and profit when costs of raw materials fluctuate.

Highly competitive industry

With presence of several unorganized players (more than 90% of the industry is unorganized), the competitive intensity is high. The switching cost for the end user is estimated to be lower and the manufacturers may not have significant pricing power.

Exposure to cyclicality in end use sectors

A cyclical industry is sensitive to business cycles such as higher revenues during periods of economic prosperity and lower revenues during times of economic downturns. Hydraulic fittings industry is exposed to the cyclicality in end use industries such as automobiles and construction that in turn could have an impact on revenue generation of fittings' manufacturers. For example, monsoon season is a lean demand period for construction industry which could in turn translate to lower demand for hydraulic fittings.

Fragmented Supply Chain

The hydraulic fittings industry often relies on a wide network of small and dispersed suppliers, leading to inconsistencies in quality, delayed deliveries, and poor coordination - ultimately affecting production timelines and customer satisfaction.

Skilled Workforce Gap

A shortage of skilled technicians and engineers, especially in CNC machining and precision manufacturing, hampers operational efficiency and limits the company's ability to scale or maintain quality standards.

Compliance Hurdles for SMEs

Small and mid-sized players in the hydraulic fittings sector struggle to meet increasingly stringent quality, safety, and environmental standards, which can restrict market access and delay certifications.

Margin Pressure

Intense competition, rising input costs, and customer price sensitivity impact profit margins. This limits the ability to invest in innovation, automation, and capacity expansion.

R&D Gap

Limited in-house research capabilities restrict the development of advanced or customized products. This puts the company at a disadvantage compared to global players investing in new technologies and product innovation.

Competitive Landscape

Hy-tech Engineers Limited

Hy-tech Engineers Limited is an engineering company engaged in the manufacturing of hydraulic fittings, with more than four decades of experience in designing and producing a wide range of products for various industrial uses. Its offerings include standard hydraulic fittings such as DIN-metric fittings, JIC flared and flareless fittings, O-Ring Face Seal (ORFS) fittings, and conversion fittings. The company's portfolio covers over 10,000 stock keeping units (SKUs) of hydraulic fittings, which are used in sectors including construction equipment, agricultural machinery, automotive, components, injection moulding machines, and hydraulic systems.

Table 1: Key financial metrics of Hy-tech Engineers Limited (all figures are in million)

Hy-TECH Engineers Limited	FY23	FY24	FY25
Revenue from Operations	1,333.36	1,377.08	1,613.82
Other Income	36.08	34.65	53.25

Total income	1,369.44	1,411.73	1,667.07
Operating EBITDA	277.19	190.86	304.61
Depreciation	61.23	73.39	101.07
Finance Cost	46.30	28.74	48.12
Profit Before Tax	241.83	158.05	261.92
EBIT	252.05	152.14	256.79
PAT	180.02	115.96	196.17
Debt	212.06	408.38	435.25
Equity	713.03	822.17	1,012.49
Current Assets	766.46	691.99	967.66
Current Liabilities	385.5	409.49	438.43
Ratios			
Operating EBITDA%	20.79%	13.86%	18.88%
PAT%	13.15%	8.21%	11.77%
ROE%	28.80%	15.11%	21.38%
ROCE%	31.68%	15.24%	20.46%
DE Ratio	29.74%	49.67%	42.99%
Interest coverage ratio	5.44	5.29	5.34
Current ratio	1.99	1.69	2.21
Working capital cycle	125.18	131.02	142.54
Working capital	380.96	282.49	529.22
Net working capital turnover ratio	3.50	4.87	3.05
Inventory Turnover ratio	2.05	2.28	2.48
Trade receivables turnover ratio	3.23	3.47	3.91
Trade payable turnover ratio	3.92	4.83	6.30
NAV Per share	8.54	9.84	12.12

Source: Industry Financial Reports

Mercury Fittings Private Limited

Mercury Fittings Private Limited was established in 1983 with annual capacity of about 12 million components. The product line of Mercury Fittings Private Limited includes industrial fittings, such as pipe fittings, flanges, valves, hose fittings, and specialized components. These products are made from materials like stainless steel, carbon steel, brass, and alloys, ensuring durability and corrosion resistance. The company also offers customized solutions based on specific customer requirements, providing end-to-end support from design to delivery.

Table 2: Key financial metrics of Mercury Fittings Private Limited (all figures are in million)

Mercury Fittings Private Limited	FY23	FY24	FY25
Revenue from Operations	560.35	516.58	NA
Other Income	5.58	8.04	NA
Total income	565.93	524.61	NA
Operating EBITDA	94.03	68.49	NA
Depreciation	20.81	17.72	NA
Finance Cost	6.03	5.07	NA
Profit Before Tax	78.36	61.77	NA
EBIT	78.80	58.80	NA
PAT	56.12	44.67	NA
Debt	54.49	57.47	NA
Equity	287.04	322.71	NA
Current Assets	238.19	286.58	NA
Current Liabilities	95.07	117.01	NA

Ratios			
Operating EBITDA%	16.78%	13.26%	NA
PAT%	9.92%	8.51%	NA
ROE%	20.74%	14.28%	NA
ROCE%	42.78%	23.84%	NA
DE Ratio	18.48%	17.38%	NA
Interest coverage ratio	13.07	11.60	NA
Current ratio	2.51	2.45	NA
Working capital cycle	95.38	91.94	NA
Working capital	143.11	169.58	NA
Net working capital turnover ratio	3.92	3.05	NA
Inventory Turnover ratio	5.02	4.36	NA
Trade receivables turnover ratio	6.26	5.40	NA
Trade payable turnover ratio	8.49	6.84	NA
NAV Per share	191.36	215.14	NA

Source: Industry Financial Reports

Micron Specma (India) Private Limited

Micron Specma (India) Private Limited was established in 2019 and is based in Haryana. The product line of Micron Specma (India) includes hydraulic cylinders, pneumatic cylinders, hydraulic valves, hydraulic pumps, and associated fittings and components. These products are designed for various applications, including heavy machinery, automotive systems, and industrial automation. The company also specializes in providing custom-engineered solutions tailored to specific customer requirements.

Table 3: Key financial metrics of Micron Specma (India) Private Limited (all figures are in million)

Micron Specma (India) Private Limited	FY23	FY24	FY25
Revenue from Operations	292.98	457.05	NA
Other Income	6.98	8.81	NA
Total income	299.96	465.86	NA
Operating EBITDA	13.80	31.61	NA
Depreciation	10.45	14.46	NA
Finance Cost	6.23	14.12	NA
Profit Before Tax	11.08	20.65	NA
EBIT	10.33	25.97	NA
PAT	-0.91	14.870	NA
Debt	91.26	155.10	NA
Equity	121.66	136.52	NA
Current Assets	126.69	186.57	NA
Current Liabilities	108.62	167.40	NA
Ratios			
Operating EBITDA%	4.71%	6.92%	NA
PAT%	-0.30%	3.19%	NA
ROE%	-0.77%	11.52%	NA
ROCE%	6.52%	18.11%	NA
DE Ratio	75.02%	113.61%	NA
Interest coverage ratio	1.66	1.84	NA
Current ratio	1.17	1.11	NA
Working capital cycle	33.58	23.47	NA
Working capital	18.07	19.17	NA
Net working capital turnover ratio	16.21	23.84	NA

Inventory Turnover ratio	3.27	5.43	NA
Trade receivables turnover ratio	8.40	7.05	NA
Trade payable turnover ratio	2.93	3.78	NA
NAV Per share	10.60	11.89	NA

Source: Industry Financial Reports

Dynamatic technologies limited

Founded in 1973, Dynamatic Technologies Limited manufactures precision-engineered products for the hydraulic, aerospace, and metallurgy sectors. The company is also a Tier-I supplier to aerospace OEMs such as Airbus and Boeing. The company is also vertically integrated, handling everything from alloy-making and casting to using their own green energy sources.

Table 4: Key financial metrics of Dynamatic technologies limited (all figures are in million)

Dynamatic technologies limited	FY23	FY24	FY25
Revenue from Operations	13,157.70	14,293.30	14,038.00
Other Income	97.60	428.20	228.00
Total income	13,255.30	14,721.50	14,266.00
Operating EBITDA	1,715.00	1,165.90	1,355.20
Depreciation	704.20	663.60	692.90
Finance Cost	653.80	625.50	567.20
Profit Before Tax	552.20	733.20	551.10
EBIT	1108.40	930.50	890.30
PAT	427.90	1218.10	430.40
Debt	6,184.00	4,581.60	4,510.40
Equity	5,419.70	6,677.40	7,175.00
Current Assets	8,275.50	7,548.20	8,041.70
Current Liabilities	7,533.50	5,765.70	6,270.80
Ratios			
Operating EBITDA%	13.03%	8.16%	9.65%
PAT%	3.23%	8.27%	3.02%
ROE%	9.27%	20.14%	6.21%
ROCE%	14.69%	9.96%	9.11%
DE Ratio	114.10%	68.61%	62.86%
Interest coverage ratio	1.70	1.49	1.57
Current ratio	1.10	1.31	1.28
Working capital cycle	115.56	138.98	140.30
Working capital	742.00	1782.50	1770.90
Net working capital turnover ratio	17.73	8.02	7.93
Inventory Turnover ratio	2.27	2.21	2.00
Trade receivables turnover ratio	5.62	5.14	4.77
Trade payable turnover ratio	2.82	3.22	3.15
NAV Per share	852.82	983.21	1056.48

Source: Industry Financial Reports

Aeroflex Industries Limited

Aeroflex Industries Limited was established in 1993. They manufacture and design hose and fittings. Aeroflex caters to a wide range of industries, including petrochemical, oil and gas, automotive, power, and chemical processing, offering products that are known for their durability, reliability, and high performance.

Table 5: Key financial metrics of Aeroflex Industries Limited (all figures are in million)

Aeroflex Industries Limited	FY23	FY24	FY25
Revenue from Operations	2,694.61	3,179.07	3,762.28
Other Income	0.39	38.43	25.35
Total income	2,695.00	3,217.51	3,787.62
Operating EBITDA	528.78	579.64	765.11
Depreciation	52.19	62.62	112.72
Finance Cost	34.34	21.39	3.50
Profit Before Tax	443.02	572.50	699.58
EBIT	476.97	555.46	677.73
PAT	301.52	417.34	525.17
Debt	450.06	1.21	5.84
Equity	1140.93	2931.50	3424.16
Current Assets	1544.39	2800.78	2394.82
Current Liabilities	789.32	810.37	822.44
Ratios			
Operating EBITDA%	19.62%	18.23%	20.34%
PAT%	11.19%	12.97%	13.87%
ROE%	30.10%	20.50%	16.53%
ROCE%	37.03%	29.51%	21.34%
DE Ratio	39.45%	0.04%	0.17%
Interest coverage ratio	13.89	25.97	193.80
Current ratio	1.96	3.46	2.91
Working capital cycle	132.14	115.64	129.11
Working capital	755.07	1990.41	1572.38
Net working capital turnover ratio	3.57	1.60	2.39
Inventory Turnover ratio	3.72	3.50	3.56
Trade receivables turnover ratio	4.51	3.93	3.56
Trade payable turnover ratio	4.82	4.39	4.00
NAV Per share	9.98	22.67	26.48

Source: Industry Financial Reports

Yuken India

Yuken India is a subsidiary of Yuken Kogyo Co., Ltd., a Japanese company that designs and manufactures hydraulic equipment. Yuken India was incorporated on June 28, 1976, and started commercial production in 1978. The company is headquartered at No. 16-C, Doddanekundi Industrial Area, II Phase, Mahadevapura, Bengaluru, Karnataka 560048. It manufactures hydraulic pumps, motors, valves, systems, and cast-iron castings used in various industries such as manufacturing, construction, and automotive.

Table 6: Key financial metrics of Yuken India (all figures are in million)

Yuken India	FY23	FY24	FY25
Revenue from Operations	3,724.41	4,225.36	4,573.56
Other Income	27.00	52.72	43.89
Total income	3,751.41	4,278.08	4,617.45
Operating EBITDA	307.17	395.15	504.79
Depreciation	125.83	146.43	171.88
Finance Cost	97.94	84.54	103.99
Profit Before Tax	137.41	269.61	316.69

EBIT	208.35	301.44	376.79
PAT	96.51	187.86	246.02
Debt	1150.40	769.33	886.15
Equity	1993.13	2795.06	3011.52
Current Assets	2219.35	2380.91	2239.76
Current Liabilities	2151.31	1807.17	1931.15
Ratios			
Operating EBITDA%	8.25%	9.35%	11.04%
PAT%	2.57%	4.39%	5.33%
ROE%	4.95%	7.85%	8.47%
ROCE%	10.78%	10.36%	12.33%
DE Ratio	57.72%	27.52%	29.43%
Interest coverage ratio	2.13	3.57	3.62
Current ratio	1.03	1.32	1.16
Working capital cycle	126.11	154.94	157.12
Working capital	68.04	573.74	308.62
Net working capital turnover ratio	54.74	7.36	14.82
Inventory Turnover ratio	1.45	2.39	2.33
Trade receivables turnover ratio	3.19	3.61	3.88
Trade payable turnover ratio	2.50	3.03	3.69
NAV Per share	165.71	215.06	231.70

Source: Industry Financial Reports

8 Operational Parameters

- Installed manufacturing capacity

Installed manufacturing capacity	FY23	FY24	FY25
Hy-tech Engineers limited	3,26,00,000 Units	3,66,00,000 Units	4,55,00,000 Units
Mercury Fittings	NA	NA	NA
Micron Specma	NA	NA	NA
Dynamatic technologies limited	NA	NA	NA
Aeroflex Industries Limited	11Mn Mtrs	13.5Mn Mtrs	16.5Mn Mtrs
Yuken India	90000 pumps, 780000 valves, 20000 power packs, 13000 foundry	90000 pumps, 780000 valves, 20000 power packs, 13000 foundry	100000 pumps, 800000 valves, 25000 power packs, 13000 foundry

- Production Capacity

Production capacity (No. of units)	FY23	FY24	FY25
Hy-tech Engineers limited	2,47,00,000 Units	2,48,00,000 Units	2,88,00,000 Units
Mercury Fittings	NA	NA	NA

Micron Specma	NA	NA	NA
Dynumatic technologies limited	NA	NA	NA
Aeroflex Industries Limited	NA	NA	NA
Yuken India	NA	NA	NA

• **Capacity utilisation**

Capacity utilisation	FY23	FY24	FY25
Hy-tech Engineers limited	74.87%	73.42%	66.86%
Mercury Fittings	NA	NA	NA
Micron Specma			
Dynumatic technologies limited	NA	NA	NA
Aeroflex Industries Limited	83.00%	87.91%	75.14%

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” on page 22 for a discussion of the risks and uncertainties related to those statements and also “Risk Factors”, “Restated Consolidated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 32, 227 and 286, respectively, 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.

*The industry and market data used in this section have been derived from the report titled “Industry Research Report on Hydraulic Fittings Industry” dated September 2025 (the “**CARE Report**”) issued by CARE Analytics and Advisory Private Limited (CareEdge Research), which has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and commissioned and paid for by our Company in connection with the Offer. A copy of the CARE Report is available on the website of our Company at <https://www.hy-techengineers.com/ipo-documents.php>. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. CARE Analytics and Advisory Private Limited (“CARE”) is an independent agency and is not a related party of our Company, its Subsidiary, Directors, Key Managerial Personnel, Senior Management or the Book Running Lead Manager. For more information and risks in relation to commissioned reports, see “Risk Factor 36 – Certain sections of this Draft Red Herring Prospectus disclose information from the CARE Report which has been prepared exclusively for the Offer and commissioned by our Company and paid for by our Company exclusively in connection with the Offer; and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.” on page 56.*

We have included certain non-GAAP financial measures and other performance indicators relating to our financial performance and business in this Draft Red Herring Prospectus, each of which is a supplemental measure of our performance and liquidity and not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or U.S. GAAP. Furthermore, such measures and indicators are not defined under Ind AS, IFRS, U.S. GAAP or other accounting standards, and therefore should not be viewed as substitutes for performance, liquidity or profitability measures under such accounting standards. In addition, such measures and indicators, are not standardized terms, hence a direct comparison of these measures and indicators between companies may not be possible. Other companies may calculate these measures and indicators differently from us, limiting their usefulness as a comparative measure. Although such measures and indicators are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that they are useful to an investor in evaluating our operating performance.

Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Consolidated Financial Information included in this Draft Red Herring Prospectus. For further information, see “Restated Consolidated Financial Information” beginning on page 227. Our Financial Year ends on March 31 of each year; so all references to a particular FY, Fiscal, Financial or Financial Year are to the 12 months ended March 31 of that year. Unless the context otherwise requires, in this section, references to “we”, “us”, “our”, “our Company” or “the Company”, refers to “Hy-tech Engineers Limited” and our Subsidiary.

Overview

We are an engineering company engaged in the design, manufacture and supply of hydraulic fittings catering to diverse industrial applications, with over four decades of operational experience in the hydraulics industry. Our product portfolio comprises standard hydraulic fittings viz. DIN-metric fittings, JIC flared and flareless fittings, O-Ring Face Seal (ORFS) fittings and conversion fittings, as well as fittings customized to customer specifications. As of March 31, 2025, our portfolio consists of more than 10,000 stock keeping units (SKUs) of hydraulic fittings, serving diverse application needs across industries such as construction machinery, automotive, agricultural machinery injection moulding machines and hydraulic systems. In addition, we have obtained certifications which enable us to cater to sectors such as railways and defence, thereby expanding our addressable market.

We operate on a business-to-business (B2B) model across both domestic and international markets. Our sales approach combines direct engagement with original equipment manufacturers (“OEMs”) and other industrial customers as also through a network of authorized distributors and distribution partners. Direct customer

engagement enables us to build long-term relationships and offer tailored solutions aligned with specific industry requirements. During Fiscal 2025, we have supplied to 152 direct customers including OEMs. To complement our direct sales efforts, we leverage a network of distributors and distribution partners in India and overseas, which allows us to expand our reach to a broader customer base. The distributors typically maintain inventory in their territories, promote our products, provide after-sales support, and act as the primary interface for customers. This dual-channel distribution strategy enhances our market penetration and provides us with the opportunity to increase market share for our offerings across a wide range of industrial sectors. We have also engaged with a non-exclusive distribution partner in Europe who is not directly involved in customer acquisition but primarily provide post-sale services, local coordination and logistics support.

As on March 31, 2025, our international presence extends to markets such as USA, Belgium, Russia, Brazil, Italy and Saudi Arabia, supported by relationships with global customers including OEMs, industrial customers and distributors. The following table presents a breakup of our revenue from operations by distribution channel and geography for the periods indicated:

Distribution Channel	Market	Fiscal 2025		Fiscal 2024		Fiscal 2023	
		Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Direct Sales	Domestic	1,022.25	63.34	846.22	61.45	822.17	61.66
	Overseas	407.60	25.26	401.94	29.19	379.23	28.44
Sub-Total (A)		1429.85	88.60	1248.16	90.64	1201.40	90.10
Distributors*	Domestic	134.87	8.36	74.54	5.41	55.67	4.18
	Overseas	49.10	3.04	54.38	3.95	76.29	5.72
Sub-Total (B)		183.97	11.40	128.92	9.36	131.96	9.90
Grand Total (A+B)		1,613.82	100.00	1,377.08	100.00	1,333.36	100.00

*Including distribution partner

Currently, we operate out of six manufacturing facilities in India out of which four are located in the state of Maharashtra and the other two in the state of Madhya Pradesh. Our Nashik Unit offers us with backward integration capabilities that provides us competitive advantages. Set out the below are brief details of our Manufacturing Facilities:

S. No.	Location	Product	Total Area (in sq. mtrs.) [#]	Installed Capacity [^] as on March 31, 2025 [#]
1.	Thane, Maharashtra	Hydraulic fittings	1,326.86	35 lakh pieces p.a.
2.	Pithampur, Madhya Pradesh	Hydraulic fittings	4,217.00	48 lakh pieces p.a.
3.	Pithampur, Madhya Pradesh	Hydraulic fittings	1,394.00	48 lakh pieces p.a.
4.	Shirwal, Satara, Maharashtra	Hydraulic fittings	12,350.00	144 lakh pieces p.a.
5.	Kavathe, Satara, Maharashtra	Hydraulic fittings	12,799.00	180 lakh pieces p.a.
6.	Nashik, Maharashtra*	Forged Metal Parts	800.00	3120 metric tons p.a.

*Majority of the products forged at this Unit are utilized by us for captive consumption.

[^]Installed capacity refers to production volume of products (on annualized basis) that a manufacturing facility can generate as of the based on available infrastructure

[#]As certified by Nandkishor P. Kalekar, Independent Chartered Engineer, by certificate dated September 3, 2025.

Each of our facilities operates as an independent manufacturing unit and is not operationally inter-dependent with the exception of our Nashik Unit, which manufactures forged components primarily for captive consumption. This structure allows better inventory management and operational flexibility. Our facilities are supported by necessary infrastructure for manufacturing, storage of raw materials and finished goods, together with quality control, and are strategically located in the western and central regions of the country with availability of all modes of transportation and facilitates convenient transportation of our products, sourcing of raw materials and easy access to customers.

We are led by our Promoter and Managing Director, Hemant Tukaram Mondkar, an alumnus of the Indian Institute of Technology (Bombay), who has an extensive experience of more than four decades in the hydraulic fittings industry. In addition, our Promoter and Non-Executive Director, Ashwin Hemant Mondkar, plays an important role in supporting the Company's international expansion. Our Board of Directors and senior management team bring industry expertise and operational experience, which enables us to identify market opportunities, formulate and execute business strategies and meet customer expectations.

Key Financial and Operational Performance Indicators

The following table sets out key financial parameters in the relevant periods:

S. No.	Particulars	Units	For the financial year ended as on March 31,		
			2025*	2024*	2023*
GAAP Financial measures					
1	Revenue from operations	₹ in million	1,613.82	1,377.08	1,333.36
2	Profit after tax	₹ in million	196.19	115.96	180.02
Non-GAAP Financial measures					
3	Total Revenue	In million	1,667.07	1,411.73	1,369.44
4	Earnings before interest, taxes, depreciation, and amortization (EBITDA) ^(a)	In million	357.88	225.51	313.27
5	EBITDA Margin ^(b)	%	22.18%	16.38%	23.49%
6	Profit after tax (PAT) ^(c)	In million	196.19	115.96	180.02
7	PAT Margin ^(d)	%	11.77%	8.21%	13.15%
8	Return on Equity (ROE) ^(e)	%	21.39%	15.11%	28.80%
9	Debt To Equity Ratio ^(f)	%	42.99%	49.67%	29.74%
10	Interest Coverage Ratio ^(g)	Times	5.34	5.29	5.44
11	ROCE ^(h)	%	20.46%	15.24%	31.68%
12	Current Ratio ⁽ⁱ⁾	Times	2.21	1.69	1.99
13	Net Capital Turnover Ratio ^(j)	Times	3.05	4.87	3.50
14	NAV / Book Value After Bonus and Split per Share ^(k)	In Rs.	12.12	9.84	8.54
15	Inventory turnover ratio ^(l)	Times	2.48	2.28	2.05
16	Trade Receivables turnover ratio ^(m)	Times	3.91	3.47	3.23
17	Trade payables turnover ratio ⁽ⁿ⁾	Times	6.30	4.83	3.92

Operational KPI of our Company

S. No.	Metric	Units	As of and for the Fiscal		
			2025	2024	2023
1	Production Capacity	Pieces per annum	28,800,000	24,800,000	24,700,000
2	Capacity Utilisation ^(o)	%	66.86%	73.42%	74.87%

Notes:

As certified by Nayan Parikh & Co., Chartered Accountants pursuant to their certificate dated September 4, 2025. The Audit committee in its resolution dated September 4, 2025 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Draft Red Herring Prospectus other than as disclosed in this section.

- (a) EBITDA is calculated as profit before tax for the year, plus finance costs, depreciation, and amortization expenses, minus other income.
- (b) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
- (c) PAT refers to Profit for the year as appearing in Restated Financial Information.
- (d) PAT Margin (%) is calculated as Profit for the year divided by Total Income
- (e) Return on equity (RoE) is equal to profit for the year divided by the average total equity.
- (f) Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).
- (g) Interest Coverage Ratio is calculated by dividing EBIT by finance cost.
- (h) RoCE (Return on Capital Employed) (%) is calculated as EBIT (after deducting other income) divided by capital employed. Capital employed is calculated as total assets minus current liabilities, current investments, cash and cash equivalents, and bank balances other than cash and cash equivalents.
- (i) Current Ratio is calculated by dividing the current assets by current liabilities.
- (j) Net Capital Turnover Ratio is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).
- (k) NAV / Book Value After Bonus and Split per Share is calculated dividing total equity by total number of issues equity share after bonus and split
- (l) Inventory Turnover Ratio is calculated dividing Cost of materials consumed by average inventory
- (m) Trade Receivable turnover Ratio is calculated dividing Revenue from Operation by average Trade receivable
- (n) Trade Payable turnover Ratio is calculated dividing Purchases which include raw materials purchases, Manufacturing exp., Repairs and Maintenance, Printing & Stationery, Communication Exp and Office Exp by average Trade payable
- (o) Capacity utilisation is calculated by dividing the actual annual production by the installed annual capacity.

MARKET OPPORTUNITY

The hydraulic fittings market in India is experiencing significant growth, driven by the expansion of various industries such as manufacturing, construction, automotive, and agriculture. As infrastructure development and industrialization continue to rise, there is an increasing demand for hydraulic systems, which in turn boosts the need for high-quality hydraulic fittings. Key trends in this market include the growing adoption of automation, increasing investments in renewable energy projects, and a shift towards more durable, corrosion-resistant, and efficient hydraulic components. Furthermore, the rise of local manufacturing and the availability of cost-effective solutions are making hydraulic fittings more accessible to small and medium-sized enterprises. Additionally, advancements in technology, such as the integration of IoT and smart sensors in hydraulic systems, are shaping the market's future. *(Source: CARE Report)*

The increasing adoption of technologically advanced machines across various industries such as agriculture, construction, material handling, and aerospace is expected to drive growth in the hydraulic fittings market. In India, the hydraulic fittings market has grown at a CAGR of 7.7% between CY19 and CY24 and is projected to expand at a higher CAGR of 10.4% from CY24 to CY30. *(Source: CARE Report)*

The hydraulic fittings market is experiencing dynamic growth globally, with significant trends emerging across various regions. In Asia, particularly in China and India, industrialization and infrastructure development are driving the demand for hydraulic systems, fuelling the need for hydraulic fittings. The hydraulic fittings market in Asia grew at a CAGR of 6.9% from CY19 to CY24 and is expected to grow at CAGR of 9.3% from CY24 to CY30. Meanwhile, the Middle East is witnessing increased demand due to large-scale oil and gas projects, where high-performance hydraulic systems are essential. The development of renewable energy sources in the region, such as solar and wind, is also contributing to the market expansion. The hydraulic fittings market in the Middle East grew at a CAGR of 7.0% from CY19 to CY24 and is expected to grow at CAGR of 10.2% from CY24 to CY30. In the USA, the hydraulic fittings market is driven by advancements in automation, aerospace, and agriculture. The country's focus on manufacturing innovations and infrastructure upgrades supports the growing need for hydraulic components. The hydraulic fittings market in the USA grew at a CAGR of 6.0% from CY19 to CY24 and is expected to grow at CAGR of 8.2% from CY24 to CY30. Europe follows a similar pattern, with increased investments in industrial automation and green technologies like electric vehicles (EVs) and renewable energy contributing to market growth. The demand for hydraulic fittings in sectors such as construction, mining, and transportation is also prominent in this region. The hydraulic fittings market in Europe grew at a CAGR of 6.3% from CY19 to CY24 and is expected to grow at CAGR of 8.6% from CY24 to CY30. *(Source: CARE Report)*

COMPETITIVE STRENGTHS

Integrated operations and product development capabilities

Our product portfolio includes more than 10,000 SKUs, comprising standard hydraulic fittings such as DIN-metric fittings, JIC flared fittings, O-Ring Face Seal (ORFS) fittings, and conversion fittings. We also have the capability to develop application-specific fittings tailored to customer specifications and applicable industry standards, with 1,676 new SKUs in Fiscal 2025, 2,206 in Fiscal 2024, and 1,538 in Fiscal 2023. This breadth and pace of product development demonstrates both the scale and adaptability of our operations.

Our manufacturing operations encompass die-designing, forging, heat treatment, machining, plating and inspection and testing, which are primarily conducted in-house. We have in-house design capabilities that allow us to tailor products to specific customer needs, enabling us to maintain wide product range that caters to both standard and specialized applications. These capabilities enable us to meet the requirements of both large OEMs and small and mid-sized enterprises, including customers served through our distributor network demonstrates the flexibility of our operations and the inclusivity of our customer base across a broad spectrum of industries.

We operate with backward integration at our Nashik Unit which is equipped to manufacture forged components which are in turn used at our other facilities to manufacture hydraulic fittings. As of March 31, 2025, we have a total installed capacity of forging capacity of 3,120.00 MT per annum at our Nashik Unit and a manufacturing capacity of 455 lakhs pieces per annum of hydraulic fittings across all our other facilities. This backward integration reduces reliance on external suppliers and supports cost efficiency, lead time reduction, and quality control. Our production infrastructure includes computer numerical control machines, multi spindle machines, transfer machines and supplementary machines such as vertical machining centers, thread rolling, centerless grinding machines, etc., enabling end-to-end manufacturing. To ensure conformance with technical standards, we

use testing equipment for material composition analysis, mechanical property testing, and detection of surface cracks and defects.

The integration of product development, captive forging, design, manufacturing, and quality assurance functions enables us to offer a diverse range of products and respond to varied customer requirements. These factors, along with multi-tier customer relationships across OEMs and industrial segments, support continuity in business operations and strengthen our competitive position in the hydraulic fittings industry.

Diversified customer base with wide market reach

Our business model is designed to provide scalability by balancing direct engagement with customers and a distributor network. While direct sales to OEMs and other industrial users allow us to customize solutions and build enduring relationships, our distributors also enable access to smaller and mid-sized industrial customers across domestic and overseas markets. We served 152 direct customers in Fiscal 2025, compared to 144 in Fiscal 2024 and 126 in Fiscal 2023, while the number of distributors and distribution partners has grown from 4 in Fiscal 2023 to 6 in Fiscal 2025. This dual-channel approach provides access to diverse customer segments and reduces dependence on any single sales channel or industry vertical.

As on March 31, 2025, our exports contribute meaningfully to revenues, and our growing presence across ten countries demonstrates both the acceptance of our products in international markets and our ability to compete globally. The following table sets forth a breakup of our revenue from operations from domestic and international market in absolute terms and as a percentage of total revenue from operations, for the periods indicated basis the location of the customers:

Market	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Domestic	1,157.12	71.70	920.76	66.86	877.84	65.84
Overseas	456.70	28.30	456.32	33.14	455.52	34.16
Total	1,613.82	100.00	1,377.08	100.00	1,333.36	100.00

Similarly, our customer base is diversified across end-use industries such as construction equipment, agriculture, automotive, injection moulding machines and hydraulic systems, in addition to products sold through distributors to other sectors. This breadth of industries supported by our fittings reduces exposure to fluctuations in demand from any one sector. The following table provides the contribution of industry-wise bifurcation of our revenues from operations for the periods indicated:

Industry Segment	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Construction	378.77	23.47	352.90	25.63	291.78	21.88
Agriculture	302.94	18.77	248.31	18.03	326.09	24.46
Automotive	162.79	10.09	149.95	10.89	117.09	8.78
Injection Moulding Machines	67.88	4.21	56.29	4.09	51.76	3.88
Hydraulic Systems	59.90	3.71	59.86	4.35	40.27	3.02
Others*	641.54	39.75	509.73	37.02	506.37	37.98
Total	1,613.82	100.00	1,377.08	100.00	1,333.36	100.00

*Includes unidentified sectors for products sold through distributors.

The combination of direct sales and sales through distributors, increasing international footprint, and balanced sectoral exposure positions us to mitigate risks, maintain stable revenues and support long-term, scalable growth.

Experienced leadership, deep market understanding and industry credibility

Our Company benefits from over four decades of experience in the hydraulic fittings industry, led by our Promoter, Hemant Tukaram Mondkar, an alumnus of the Indian Institute of Technology (IIT), Bombay. He brings strategic vision and technical expertise that have been pivotal in strengthening our market position in both domestic and international markets. He oversees all key aspects of the business, including managerial,

administrative and technical functions, and is supported by a professional management team with significant experience in business strategy, operational execution and integration of systems, processes, and technology. In addition, our Promoter and Non-Executive Director, Ashwin Hemant Mondkar, has played an important role in supporting the Company's international expansion, particularly in the United States. Our revenues from overseas sales (excluding direct sales to our Promoter Group entity, Hy-Tech USA) increased at a CAGR of 14% from ₹279.85 million in Fiscal 2023 to ₹319.59 million. Their collective expertise has enabled the Company to pursue diversification, operational expansion and customer-centric initiatives, while maintaining long-term sustainability through proactive risk identification and mitigation.

Our long-standing presence across diverse geographies and application of our products for various industrial uses has positioned us to meet the qualification standards set by direct customers including OEMs, in sectors such as construction, agricultural machinery, automotive components, injection moulding machines and hydraulic systems. Onboarding as an authorized vendor for OEMs typically involves assessments related to quality control, process consistency, engineering standards, and operational performance. Over the years, we have consistently satisfied these requirements through inspections, product validation trials, and performance reviews, which has facilitated enduring relationships with OEMs. We served 152 direct customers in Fiscal 2025, 144 in Fiscal 2024 and 126 in Fiscal 2023, including notable names such as Tompkins Industries Inc, Sisa Hydropneumatics and Fittings Unlimited Inc.

We have also achieved high levels of customer retention and details with respect to our revenues from repeat orders from customers for Fiscal 2025, Fiscal 2024, and Fiscal 2023 is as set out below:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Number of repeat customers	128	102	77
Revenues from repeat customers* (in ₹ million)	1,536.44	1,256.00	1,221.95
Revenues from repeat customers as % of our consolidated revenues from operations (%)	95.20	91.20	91.60

** Revenues from repeat customers is revenues from customers and/ or customer groups where our Company would have recognized revenues from such customer and/ or customer groups in at least one fiscal during the last three fiscals preceding the fiscal for which the data is being disclosed.*

Our deep industry experience also enables us to:

- Understand and adapt to varied customer needs across markets
- Anticipate performance standards and regulatory nuances in overseas geographies
- Deliver customized solutions aligned with evolving equipment design trends

Our customer relationships offer us competitive advantages such as revenue visibility, industry goodwill, a deep understanding of the requirements of our customers and is a testament to the quality of our products and services. These relationships support continuity in business engagement and also serve as a platform for expanding our product portfolio and entering new markets.

Established global presence with access to growing international markets

As of March 31, 2025, our operations span both domestic and international markets, supported by a product portfolio of over 10,000 SKUs. As on March 31, 2025, we have exported hydraulic fittings to ten countries including the USA, Belgium, Russia, Brazil, Italy and Saudi Arabia. We have entered into a distribution agreement with Hy-Tech USA Inc., appointing it as the exclusive distributor of all hydraulic fittings and related equipment manufactured by us for customers, including OEMs, in North America, Canada, and Brazil. In Fiscals 2025, 2024, and 2023, direct sales to Hy-Tech USA Inc. accounted for 3.04%, 3.95%, and 5.72% of our revenue from operations, respectively. Additionally, customers sourced by Hy-Tech USA Inc. contributed ₹319.59 million, ₹283.77 million, and ₹279.85 million towards of our revenues from operations in the same periods.

Further, in the domestic market, our distribution network covered four states in India between Fiscal 2023 and Fiscal 2025, enabling us to serve a broad customer base across industries. Our continued focus on engineering, product quality, and industry-specific requirements has enabled us to gain insights and consistently meet the varying standards of international customers and deliver application-specific solutions.

According to the CARE Report, the hydraulic fittings market is experiencing dynamic growth globally, with significant trends emerging across various regions. The hydraulic fittings market in the USA grew at a CAGR of 6.0% from CY19 to CY24 and is expected to grow at CAGR of 8.2% from CY24 to CY30. The hydraulic fittings market in the USA grew at a CAGR of 6.0% from CY19 to CY24 and is expected to grow at CAGR of 8.2% from

CY24 to CY30. Europe follows a similar pattern, with increased investments in industrial automation and green technologies like electric vehicles (EVs) and renewable energy contributing to market growth. The demand for hydraulic fittings in sectors such as construction, mining, and transportation is also prominent in this region. The hydraulic fittings market in Europe grew at a CAGR of 6.3% from CY19 to CY24 and is expected to grow at CAGR of 8.6% from CY24 to CY30.

Our export experience, coupled with long-standing customer relationships and a diversified product offering, enhances our ability to scale further in international markets while maintaining revenue stability. The following table sets forth our revenues from overseas market as a percentage of our revenues from operations for the periods indicated:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
USA	368.69	22.85	338.25	24.56	356.14	26.71
Belgium	72.32	4.48	104.75	7.61	94.35	7.08
Russia	9.59	0.59	13.32	0.97	4.81	0.36
Brazil	4.49	0.28	-	-	-	-
Italy	1.01	0.06	-	-	-	-
Saudi Arabia	0.38	0.02	-	-	-	-
Others*	0.22	0.01	-	-	0.22	0.02
Total	456.70	28.30	456.32	33.14	455.52	34.16

* Others include Hungary, Thailand, Germany and Hong Kong.

We believe that our diverse export footprint, combined with a broad product offering and engineering capabilities, positions us to leverage growing global demand. The scalable structure of our operations, coupled with our customer relationships, supports sustained revenue generation and provides flexibility to adapt to emerging international trends and market shifts.

Decentralized cell-based manufacturing model

We follow a cell-based manufacturing model, which enables us to maintain accountability, and customer focus. Under this structure, our operations are organized into smaller, self-contained cells, with certain cells aligned to specific customer requirements or product categories. Each cell functions with dedicated oversight for production, quality, and design support, which promotes ownership of outcomes, alignment with customer expectations, and consistency in delivery. This approach helps us respond flexibly to customer needs while maintaining standards of quality and reliability. Our Manufacturing Facilities operate under a decentralized accountability framework, with plant heads responsible for operational performance and supported by central teams for procurement and strategic planning. This model fosters operational agility, cost discipline, and a performance-driven culture across our manufacturing operations. By organizing our manufacturing in this manner, we are better positioned to manage diverse demand scenarios, adapt to changes in production planning, and support long-term relationships with customers.

STRATEGIES

Enhancing our manufacturing capabilities

As of the date of this Draft Red Herring Prospectus, we operate six Manufacturing Facilities with four located in Maharashtra (Thane, Shirwal, Kavathe and Nashik) and two in Madhya Pradesh (both in Pithampur). Amongst these, one unit at Nashik, Maharashtra is dedicated solely for forging, while the remaining five Manufacturing Facilities are focused on manufacturing of hydraulic fittings. As on March 31, 2025, the combined installed capacity of hydraulic fittings at our Manufacturing Facilities is 455 lakh pieces per annum, while our Nashik facility has an installed capacity of 3,120 metric tons per annum for forging. The forged products manufactured at Nashik Unit are largely utilized for captive consumption and support our backward integration objectives. For further information, see “Our Business - Material Properties” on page 192.

With the increasing demand for hydraulic fittings across sectors and geographies, we recognize the need to augment our production capabilities to sustain long-term growth and service quality. Our capacity expansion

strategy focuses on strengthening our operational infrastructure through the deployment of high-precision machinery, introduction of automation, and improved process integration across critical facilities.

In order to support our growth strategy and enhance market position with focus on additional capacity for manufacturing of hydraulic fittings and operational efficiency, we intend to increase our manufacturing capacity at Shirwal Unit, Kavathe Unit and Pithampur Unit-I which offer the physical capacity and operational relevance for scaling up output. We propose to install new machines and equipment such as CNC Turning center, thread rolling Machine, CNC vertical machining center, etc. For further details, see “*Objects of the Offer - Funding capital expenditure requirement of our Company towards procurement of machinery and equipment for expansion at Kavathe Unit, Shirwal Unit and Pithampur Unit-I*” on page 107. These machines are expected to contribute to higher throughput, shorter production cycles, improved product precision and enhanced capacity to introduce new SKUs.

To finance this expansion, we intend to deploy a portion of the ₹319.86 million from the Net Proceeds from the Offer towards capital expenditure. Over the past three fiscals, we have consistently invested an average of ₹119.39 million per annum in plant and machinery, to improve our production infrastructure.

Post-expansion, the estimated installed capacity at Shirwal, Pithampur Unit-I and Kavathe is expected to increase by 83.33%, 53.33% and 150.00% respectively, subject to timely commissioning. Post completion of the proposed expansion, the capacity of the said Manufacturing Facilities will be as under:

(Pieces in lakhs per annum)

Manufacturing Facility	Existing Installed Capacity as on March 31, 2025	Proposed Additional Capacity	Enhanced Capacity
Shirwal Unit	144.00	120.00	264.00
Kavathe Unit	180.00	96.00	276.00
Pithampur Unit-I	48.00	72.00	120.00

For further details, see to “*Risk Factor 8 – We are in the process of undertaking certain expansion activities and intend to continue to do so in the future, which may not materialize as expected or at all which in turn may have an adverse impact on our business and financial condition.*” on page 40 of this Draft Red Herring Prospectus.

Strategic diversification into high-growth sectors

Our customer base is diversified across industries including construction machinery, agricultural machinery, automotive components, injection moulding machines and hydraulic systems, reducing reliance on any single end-market, providing operational stability and consistent demand for our hydraulic fittings.

In line with our strategy to deepen penetration across emerging sectors, we have recently entered the defence and railways sectors, which demands high-reliability fittings for critical applications. According to CARE Report, the hydraulic fittings industry in India is experiencing growing opportunities in strategic sectors like defence and railways, driven by modernization initiatives, policy support, and a strong focus on indigenization. These sectors require highly specialized, high-performance hydraulic components that can operate reliably under demanding conditions, opening doors for certified and technologically advanced manufacturers. The development of defence industrial corridors in Uttar Pradesh and Tamil Nadu is further expected to boost local manufacturing, creating a cluster-based demand for certified hydraulic components. Similarly, the Indian Railways sector is undergoing a rapid transformation with projects like Vande Bharat, high-speed trains, electrification, and modern coach manufacturing. Hydraulic systems are critical in areas such as braking mechanisms, suspension systems, coupling devices, and maintenance vehicles. To participate in these projects, manufacturers are required to meet stringent quality standards, notably through obtaining the IRIS (International Railway Industry Standard) certification, which is increasingly being recognized by both Indian and global railway OEMs.

In Fiscal 2023, we were awarded an IRIS Certification based on ISO/TS 22163:2017 for the design, development, and manufacturing of hydraulic fittings specific to railway requirements. In addition, we have been approved by the Defence Research and Development Organisation (DRDO) for supply of DIN hydraulic fittings used in defence projects. With long-standing experience, a proven track record in supplying quality hydraulic fittings and established relationships with distributors and OEMs, we believe we are well positioned to leverage opportunities in these emerging sectors. Our growth in recent years has been driven by an increased share of business with existing customers, the acquisition of new customers, and the strategic expansion of our product portfolio across industries and geographies.

Diversification into valves

As part of our broader strategy to expand our product portfolio, we are evaluating opportunities to diversify into valve segment through both organic initiatives and inorganic avenues. Valves represent a logical extension of our current offerings, catering to similar end-use industries such as construction equipment, agriculture, industrial machinery, and hydraulic systems. Hydraulic valves support the hydraulic systems by starting, stopping, and directing the flow of hydraulic fluids and are made of spools or poppets. According to the CARE Report, valve fittings are experiencing significant demand driven by their critical role in controlling fluid flow, pressure, and direction within hydraulic systems. With advancements in automation and process control, the need for high-quality, precision-engineered valve fittings is on the rise, particularly in industries like energy, aerospace, and chemical processing.

Expansion into this segment would enable us to broaden our product range, strengthen our customer base, and create cross-selling opportunities by leveraging existing relationships and distribution channels. Such diversification aligns with our operational capabilities and industry expertise and is intended to strengthen our long-term positioning without necessitating significant incremental fixed investments. Any initiative in this regard would be undertaken following appropriate commercial and regulatory assessment.

Continued expansion of our distribution network

We intend to continue to expand our distribution network by leveraging our relationship with our existing distributors, while simultaneously pursuing opportunities to develop new relationships in new geographies across both domestic and international markets by expanding our production capacities. As of March 31, 2025, our distribution network includes 6 active distributors and distribution partners, compared to 4 as on March 31, 2023. Our distribution-led model has contributed significantly to our revenues. During Fiscal 2025, the average revenue per distributor stood at approximately ₹36.79 million, compared to ₹25.78 million in Fiscal 2024 and ₹32.99 million in Fiscal 2023, indicating improved wallet share from existing distributors and better customer penetration. In the overseas market, we have onboarded one new distribution partner in Europe in Fiscal 2025. Our Promoter Group entity, Hy-Tech USA Inc., has further strengthened our sales engagement in North America by offering local fulfilment and technical support, reducing lead times and improving service quality. During Fiscals 2025, 2024, and 2023, our revenue from sales to Hy-Tech USA Inc. has been 3.04%, 3.95%, and 5.73%, respectively, of our revenues from operations.

With our capacity expansion plan, we expect to expand our reach to other new domestic and international markets while increasing the supply to existing markets as well which will also improve product availability and market reach. To achieve this goal, we intend to increase the number of distributors, ensuring broader market coverage and improved accessibility of our products to a wider range of distributors and industrial users. We also intend to increase our wallet share with our existing distributors and direct customers, including through the introduction of our new SKUs. To continue scaling our reach, we seek to implement distributor-specific incentive programs, and a feedback mechanism to better understand our customers' needs and address challenges in the domestic and export markets.

Focus to increase customer base in international markets

We intend to increase our sales in the international markets by continuing to maintain existing relationships with OEMs and other industrial customers and establish new relationships with both direct customers and distributors. During Fiscal 2025, we derived revenues of ₹456.70 million from international markets which constituted 28.30% of our revenue from operations, with the USA, Belgium, Russia and Brazil being the major contributors. Over the last three fiscals, exports have consistently accounted for over 25% of our revenue, underscoring the strategic role of global markets in our growth trajectory. In CY22, the market reached USD 300.2 million, continuing its upward trajectory from USD 271.8 million in CY21 as industries expanded and recovered (*Source: CARE Report*). This growth continued in CY23, and CY24 with consumption reaching USD 332.5 million, and USD 362.8 million respectively driven by sustained industrial demand (*Source: CARE Report*). By CY30, the market is expected to hit USD 658.3 million, reflecting strong growth prospects fuelled by infrastructure development, technological advancements, and the increasing adoption of hydraulic systems across various industries (*Source: CARE Report*).

During the last three fiscals, we have supplied hydraulic fittings to Saudi Arabia, Hungary, Thailand and Germany and aim to leverage our expertise in hydraulic fittings to expand our geographical footprint which will enable us to diversify our revenue base. We believe that as we enter new export markets, we will be able to take advantage

of the increased margins associated with these markets and improve our profitability. Furthermore, our strategy of diversifying our revenue base and expanding our geographical footprint helps us mitigate the risks associated with economic fluctuations in any one region.

To drive our next phase of growth, we intend to invest in logistics and localized support capabilities to reduce lead times, improve service delivery, and offer competitive pricing tailored to market requirements. We also aim to invest in targeted marketing campaigns, including participation in international trade shows and exhibitions, and build a strong brand presence through digital platforms and localized marketing efforts in target countries.

We believe this diversification not only helps mitigate regional demand volatility but also supports margin expansion through exports to higher-value markets.

Continued focus on cost optimization and improving operational efficiency

We aim to continuously enhance our designing and manufacturing efforts in order to control our costs and optimize our products. We intend to leverage our scale of operations, existing long-standing and strategic relationship with suppliers and enhanced backward integration measures to improve operational efficiency and reduce costs. Our experienced operations team actively implements industry aligned methodologies to drive process improvements and reduce wastage, with a long-term view on profitability and environmental responsibility. In line with our sustainability goals, we have installed solar panels at the units located at Kavathe (Maharashtra) and Shirwal (Maharashtra) as well as effluent treatment plants at all our Manufacturing Facilities, which has helped us reduce energy costs, minimize environmental impact, and enhance operational efficiency. We intend to continue enhancing our operational efficiencies, and exploit economies of scale, by better absorbing our fixed costs, while also reducing other operating costs to strengthen our competitive position. We also constantly aim to identify opportunities to implement product improvements to optimize production processes. We aim to regularly review and modify our business strategy based on our review of performance metrics, market responses and competitor analysis.

Our Product Portfolio

We manufacture hydraulic fittings that are used across a wide range of industries. Our product range comprises standard fittings viz. DIN-metric fittings, JIC flared and flareless fittings, O-Ring Face Seal (ORFS) fittings and conversion fittings, which are manufactured in line with the parameters specified by various standards. In addition, we also customize fittings as per the requirements of the customers. As of March 31, 2025, we offer over 10,000 SKUs of hydraulic fittings.

1. DIN (Metric) Fittings: These fittings adhere to DIN standards and are used in hydraulic systems that require secure and leak-free connections. They are ideal for high-pressure applications in industrial and mobile equipment.
2. JIC Flared and Flareless Fittings: JIC fittings provide sealing reliability in hydraulic applications. We offer both flared and flareless types to suit various installation preferences and system requirements.
3. O-ring face seal fittings: Our ORFS fittings are designed to deliver leak resistance in high-pressure applications. With their flat face and O-ring seal, they provide secure, vibration-resistant connections ideal for hydraulic circuits in heavy machinery and construction machinery.
4. Conversion Fittings: Our conversion fittings provide a solution for connecting components with different thread types or standards. These versatile fittings ensure integration of various hydraulic systems, improving adaptability and reducing downtime.

Our hydraulic fittings can be bifurcated by connection type (such as compression, flange, push-to-connect)) or by functionality (such as tee, elbow, cross, nipple, coupling, adapter, plug).

Manufacturing Facilities

We operate six Manufacturing Facilities, spread across the states of Maharashtra and Madhya Pradesh. Our Manufacturing Facilities have a combined built-up area of approximately 32,886.86 sq. mtrs with an aggregate installed capacity of 455 lakh pieces per annum (for hydraulic fittings) and 3,120 MT per annum (for forged metal

parts) as on March 31, 2025. All of our manufacturing facilities are supported by infrastructure for storage of raw materials, manufacture of our products, storage of finished goods together with quality control mechanisms

We follow a cell-based production model aimed at enhancing product quality, responsiveness, and operational scalability, enabling us to serve a broad spectrum of customer segments effectively. Set forth below are brief details of our Manufacturing Facilities:

Manufacturing Facility	Location	Capability
Thane Unit	A-160, Main Road, Wagle Industrial Estate, Thane – 400604, Maharashtra	Hydraulic fittings
Nashik Unit	K-6, MIDC, Ambad, Nashik -422010, Maharashtra	Forged Metal Parts
Pithampur Unit – I	Plot No. 532, Industrial Area, Sector No. 3, Pithampur, Dhar-457774, Madhya Pradesh	Hydraulic fittings
Pithampur Unit – II	Plot No. 531 A & B, Industrial Area, Sector No. 3, Pithampur, Dhar-457774, Madhya Pradesh	Hydraulic fittings
Shirwal Unit	Gat No. 325, 326, Mumbai Bangalore Highway, Shirwal, Sangvi, Khandala, Satara-412801, Maharashtra	Hydraulic fittings
Kavathe Unit	Gat. No 26/1/1, 43/2/B, Village-Kavathe, Taluka-Khandala, Satara-412801, Maharashtra	Hydraulic fittings

Images from some of our Manufacturing Facilities are illustrated below:

Pithampur Unit-II (Madhya Pradesh)



Kavathe Unit (Maharashtra)



Our Manufacturing Facilities located at Shirwal, Nashik, Thane and Kavathe are certified under ISO 9001 for Quality Management Systems. Further, our Shirwal Unit is certified under ISO 14001 for Environmental

Management, and ISO 45001 for Occupational Health and Safety, applicable across industries. Additionally, our Shirwal Unit, Pithampur Unit-I and Pithampur Unit-II are certified under IATF 16949, which is relevant to automotive sector requirements.

Installed capacity and capacity utilization

The table below sets forth the capacity utilization across our Manufacturing Facilities as of March 31, 2025, 2024 and 2023, respectively:

Manufacturing Facilities	Particulars	Units	Fiscal 2025*	Fiscal 2024*	Fiscal 2023*
Thane Unit (Maharashtra)	Installed Capacity	Pieces in Lakhs	35.00	35.00	35.00
	Actual Production	per annum	28.00	27.00	25.00
	Capacity Utilization	%	80.00%	77.14%	71.43%
Shirwal Unit (Satara, Maharashtra)	Installed Capacity	Pieces in Lakhs	144.00	190.00	213.00
	Actual Production	per annum	98.00	111.00	160.00
	Capacity Utilization	%	68.05%	58.42%	75.12%
Kavathe Unit (Satara, Maharashtra)	Installed Capacity	Pieces in Lakhs	180.00	56.00	NA
	Actual Production	per annum	99.00	42.00	NA
	Capacity Utilization	%	55.00%	75.00%	NA
Pithampur Unit-I (Madhya Pradesh)	Installed Capacity	Pieces in Lakhs	48.00	48.00	48.00
	Actual Production	per annum	33.00	44.00	43.00
	Capacity Utilization	%	68.75%	91.67%	89.58%
Pithampur Unit-II (Madhya Pradesh)	Installed Capacity	Pieces in Lakhs	48.00	37.00	30.00
	Actual Production	per annum	30.00	24.00	19.00
	Capacity Utilization	%	62.50%	64.86%	63.33%
Nashik Unit (Maharashtra)	Installed Capacity	MTPA	3,120.00	3,120.00	2,076.00
	Actual Production		1,860.00	1,524.00	1,560.00
	Capacity Utilization	%	59.62%	49.85%	75.14%

*As certified by Nandkishor P. Kalekar, Independent Chartered Engineer by certificate dated September 3, 2025.

Notes:

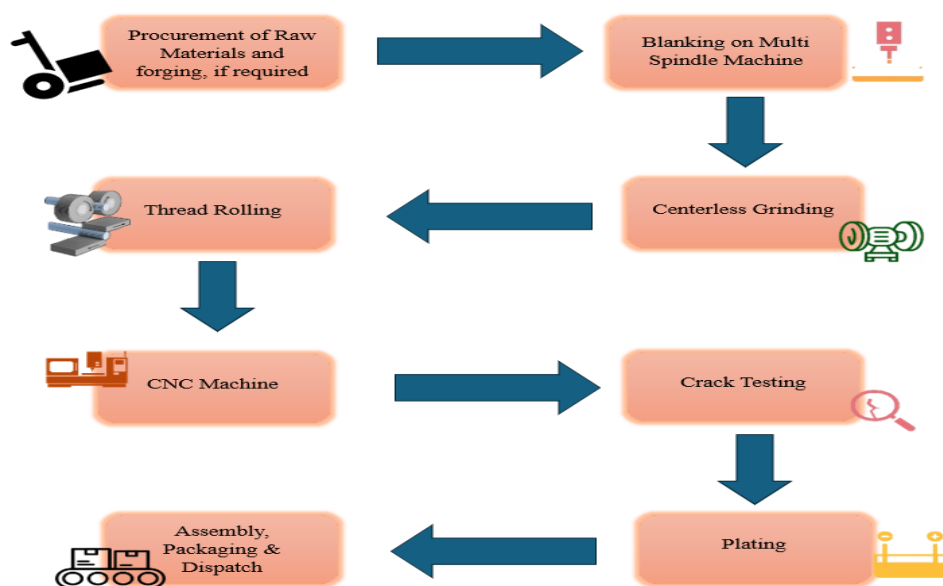
(1) Installed capacity represents the installed capacity as of the last date of the relevant Fiscal. The installed capacity is based on various assumptions and estimates, including standard capacity calculation practice in the hydraulic fittings industry and capacity of other ancillary equipment installed at the manufacturing facility. Assumptions and estimates taken into account for measuring installed capacities include 300 working days in a year and two shifts each of eight hours per day.

(2) Actual production represents quantum of production in the relevant Fiscal.

(3) Capacity utilization has been calculated on the basis of actual production in the relevant Fiscal divided by the installed capacity.

Manufacturing Process

The flowchart below sets out the processes broadly followed by us for manufacturing of hydraulic fittings:



Process	Description
Procurement of Raw Materials	Raw material is procured based on sales forecasts, historical consumption data, and lead times. Upon receipt, raw materials undergo inspection. Approved raw materials undergo a hot forging process, which involves heating the material and shaping it under high pressure to achieve the desired form and mechanical properties
Blanking on Multi-Spindle Machine	Straight fitting materials are processed for blanking using multi-spindle machines. For forged fittings, rough machining is outsourced to subcontractors to achieve the required shape and dimensions. Prior to this, raw material undergoes hot forging for forged fittings.
Centreless Grinding	As part of the precision machining process, centreless grinding is performed for straight fittings to achieve tight tolerances, smooth surface finishes and improved concentricity for straight fittings.
Thread Rolling	A thread rolling process is employed to form threads on components, enhancing the strength, durability, and resistance to fatigue.
CNC Machining	CNC machining is utilized to achieve precise dimensions, intricate designs, and accuracy, in accordance with product specifications
Crack Testing	A quality control step is conducted to detect any cracks or structural defects, ensuring the reliability and safety of the final product
Plating	The components undergo plating process to improve corrosion resistance, durability and provide a surface finish
Assembly, Packaging & Dispatch	Processed and inspected components are assembled as per the specific requirements to create the final product. Finished products are then packed and dispatched in compliance with customer requirements

Customers

Our customer-oriented engagement model has contributed to our ability to maintain long-term relationships with customers and secure repeat business. We have the capability to deliver customized solutions, maintain consistent product quality, and offer timely support, which has fostered trust and reliability among our customer base.

As of March 31, 2025, our top 10 customers have been associated with us for an average of more than 3 years. We have progressively de-risked our operations by expanding and diversifying our customer base, thereby reducing dependency on a limited number of key customers. Accordingly, the revenue contribution from our top five customers has declined from 53.56% in Fiscal 2023 to 26.00% in Fiscal 2025, while the share from the top 10 customers reduced from 53.56% to 42.02% over the same period.

Raw Materials and Suppliers

Our primary raw material is steel, with various grades and alloys of steel in differing forms such as bars and forgings. Some varieties of steel bought are carbon steel, alloy steel and stainless steel. While we majorly source our raw materials from India, a small portion is imported from international suppliers. During Fiscal 2025, Fiscal 2024 and Fiscal 2023, the cost of our imported materials was ₹5.68 million, ₹1.03 million, and ₹0.31 million representing 0.92%, 0.22%, and 0.07%, respectively, of our total cost of materials purchased. We procure raw materials from our suppliers based on purchase orders and we do not have any purchase agreements or firm commitments executed with them. Set out below is the cost of materials procured from our top three, top five and top ten suppliers:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in million)	Percentage of total purchases	Amount (₹ in million)	Percentage of total purchases	Amount (₹ in million)	Percentage of total purchases
Top 3 suppliers	163.45	26.58	189.50	39.92	205.18	44.10
Top 5 suppliers	236.67	38.49	231.99	48.87	257.16	55.27
Top 10 suppliers	336.86	54.78	310.85	65.49	332.94	71.56

As of March 31, 2025, our top ten suppliers have been associated with us for an average of more than three years. We have diversified our supply side with the contribution of our top five suppliers to total purchases declining from 55.27% in Fiscal 2023 to 38.49% in Fiscal 2025, and that of top 10 suppliers declining from 71.56% to

54.78%, demonstrating a conscious effort to broaden our vendor base. These measures enhance procurement flexibility, reduce concentration risk, and ensure business continuity in case of supply chain disruptions.

See “Risk Factors no.3 – *We are dependent on our suppliers for raw materials used in our manufacturing processes. Any shortages, delay or disruption in the supply of the raw materials we use in our manufacturing process may have a material adverse effect on our business, financial condition, results of operations and cash flows.*” on page 35.

Inventory Management

We follow a structured approach to inventory management with the objective of maintaining uninterrupted operations, optimizing stock levels, and ensuring efficient utilization of working capital. Inventory planning is carried out on the basis of sales forecasts, historical consumption patterns, and safety stock considerations. Regular reviews are undertaken to monitor stock movements, turnover ratios, and demand fluctuations, enabling adjustments to procurement and stocking decisions. aimed at ensuring seamless operations, optimized stock levels, and efficient working capital utilization. To support this, we employ practices, including a Kanban-based inventory management system, which enables timely restocking and helps reduce excess inventory. This approach also contributes to better control of working capital and responsiveness to changing market conditions.

Sales and Marketing

Our business is conducted on a business-to-business (B2B) basis, with emphasis on maintaining close engagement with customers to provide technical service and problem-solving capabilities, and to ensure timely delivery. We also leverage digital platforms such as our website and social media channels to showcase product capabilities, highlight new developments, and share updates with stakeholders. In addition, we participate in trade shows and exhibitions across various geographies, which contribute to brand visibility and help strengthen our presence across markets. We have a dedicated sales team who is responsible for managing customer relationships, monitoring evolving needs, and identifying new opportunities for business development. Our customers belong to different sectors and industries. Our sales and marketing division is responsible for various pre-order and post-order activities, including (i) submitting quotations to our customers; (ii) supporting order execution in line with customer requirements; and (iii) conducting market research to identify growth areas. As of March 31, 2025, our sales and marketing team comprises 13 employees.

We believe that our ability to offer products tailored to customer specifications, combined with consistent quality and service, has contributed to building long-term relationships and generating repeat business.

Information Technology

We have invested in various software which are used for operational and financial efficacy. We utilize an enterprise resource planning (ERP) solution for managing production, operations, and inventory that enables seamless integration of functional areas such as procurement, production planning, inventory control, and finance. We use industry-standard tools for design and product lifecycle management, which enable our engineering team to develop precise product models, technical drawings, and design simulations. We have implemented an HR management system that helps with various human resources related tasks, from hiring.

Transportation

For sales, we engage transporters on need basis. For our purchases, local purchases are on delivery to our location basis whereas for imports, it is either on CIF or FOB basis. For details, see “Risk Factor 35 – *We depend on third party logistic providers for transport of our products. Any disruption, accident or delay in transportation, by such logistic providers may hamper our supply chain and impact our financial performance.*” on page 55.

Utilities

Our Manufacturing Facilities are equipped with the utilities required to support regular operations. Power is sourced through grid connections, supplemented by diesel generator sets that serve as backup to minimize disruptions. In certain facilities, solar installations have been deployed to support energy requirements and contribute towards sustainability initiatives. Water is primarily sourced from local municipal supply and is used to meet operational requirements across our facilities.

Technical Collaborations

Our Company does not have any technical collaboration arrangements as on the date of this Draft Red Herring Prospectus.

Competition

According to the CARE Report, the Indian hydraulic fittings industry is largely dominated by small and medium enterprises (SMEs), with only a few large players. With presence of several unorganized players (more than 90% of the industry is unorganized), the competitive intensity is high (*Source: CARE report*).

We believe that our experience in manufacturing precision components and our established processes and long-standing customer and supplier relationships act as a competitive strength.

Quality Control

We have implemented a mechanism to ensure compliance with quality standards and customer requirements. We examine the products at each stage of the manufacturing process to ensure that there are no defects from previous stages. As on March 31, 2025, our quality control function comprises a dedicated team of 15 professionals, including engineers, who work under the supervision of Chief Operating Officer. The team is responsible for routine inspections, calibration of instruments, documentation, and ensuring compliance with internal SOPs and industry best practices.

Our Manufacturing Facilities located at Shirwal, Nashik, Thane and Kavathe are certified under ISO 9001 for Quality Management Systems. Further, our Shirwal Unit is certified under ISO 14001 for Environmental Management, and ISO 45001 for Occupational Health and Safety, applicable across industries. Additionally, our Shirwal Unit, Pithampur Unit-I and Pithampur Unit-II are certified under IATF 16949, which is relevant to automotive sector requirements. In addition, we organize an annual “Quality Week” at our Manufacturing Facilities, where employees across functions participate in initiatives designed to reinforce awareness of quality practices and align the organization with its continuous improvement objectives.

Corporate Social Responsibility

We have adopted a corporate social responsibility policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014. We are engaged in corporate social responsibility (“CSR”) activities that we believe are vital towards fulfilling social needs. Our CSR activities include promotion of education, women empowerment, improvement of rural infrastructure, health and hygiene conditions, and supporting sports and extracurricular activities for the youth. The following table sets forth our CSR expenditure for the years indicated:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
CSR expenditure (₹ in million)	5.03	4.42	2.47
Revenues from operations (₹ in million)	1,613.82	1,377.08	1,333.36
CSR expenditure, as a percentage of revenues from operations (%)	0.31	0.32	0.18

Employees

As of March 31, 2025, we had 425 permanent employees and a contractual workforce of 260 personnel. The following table provides the breakup of our employees by functions:

Function / Department	No of Employees
Finance	13
Human resource	3
Sales and marketing	13
Quality control	15
Supply Chain and stores	20
Information technology	2
Maintenance	4
Design	8
Production	347
Total	425

The attrition rate for our employees for Fiscals 2025, 2024 and 2023 was 18.35%, 16.25% and 15.38% respectively.

Insurance

Our operations are subject to various risks inherent in manufacturing operations, such as work accidents, fire, theft, earthquake, flood, acts of terrorism and other force majeure events. We maintain insurance policies that we believe are customary for companies operating in our industry. Our principal types of coverage include standard fire and special perils insurance policy, burglary insurance policy and product liability insurance. Our policies are subject to customary exclusions and deductibles.

For further information on risks related to our insurance policies, see “*Risk Factor 25 – Our insurance policies may not be adequate to cover all losses incurred in our business. Our inability to maintain adequate insurance cover to protect us from material adverse incidents in connection with our business may adversely affect our business, results of operations, financial condition and cash flows.*” on page 50.

Intellectual Property

As on date of this Draft Red Herring Prospectus, we have registered one trademark  under Class 35 which is valid up to December 3, 2034. For further details, see “*Government and Other Approvals- Intellectual Property*” on page 333. In addition, we have a registered domain ‘www.hy-techengineers.com’. For risks associated with intellectual property, see “*Risk Factor 44 - If we are unable to maintain and enhance our brand, including our ability to protect our brand through intellectual property, the sales of our products will suffer, which would have a material adverse effect on our results of operations.*” on page 60.

Material Properties

Our Registered and Corporate Office is located at Plot No. A-160, Main Road, Wagle Industrial Estate, Thane-400604 Maharashtra, which is held by us on a leasehold basis. As of the date of this Draft Red Herring Prospectus, our Manufacturing Facilities are either located on owned premises or on leased premises, as set out below:

S. No.	Address	Used for	Ownership Status	Lessor	Area (in sq. meters)	Tenure of Lease
1.	A-160, Main Road, Wagle Industrial Estate, Thane-400604, Maharashtra	Thane Unit*	Leased	Maharashtra Industrial Development Corporation	1326.86	54 years from November 23, 2005
2.	K-6, MIDC, Ambad, Nashik-422010, Maharashtra	Nashik Unit	Leased	Maharashtra Industrial Development Corporation	800.00	77 years from October 7, 2005
3.	Plot No. 532, Industrial Area, Sector No. 3, Pithampur, Dhar-457774, Madhya Pradesh	Pithampur Unit-I	Leased	Audyogik Kendra Vikas Nigam (Indore) Limited	2,262.00	30 years from February 28, 2009
4.	Plot No. 531 A & B, Industrial Area, Sector No. 3, Pithampur, Dhar-457774, Madhya Pradesh		Leased	Gujarat Enviro Protection and Infrastructure Limited	1,955.00	30 years from September 6, 2008
5.	Plot No. 372, Sector-3, Pithampur Industrial Area, Pithampur, Dhar-454774, Madhya Pradesh	Pithampur Unit-II	Leased	Madhya Pradesh Industrial Development Corporation	1,394.00	30 years from December 15, 2021
6.	Gat No. 325, 326, Mumbai Bangalore Highway, Shirwal, Sangvi, Khandala, Satara-412801, Maharashtra	Shirwal Unit	Owned	NA	12,350.00	NA

S. No.	Address	Used for	Ownership Status	Lessor	Area (in sq. meters)	Tenure of Lease
7.	Gat. No 26/1/1, 43/2/B, Village-Kavathe, Taluka-Khandala, Satara-412801, Maharashtra	Kavathe Unit	Owned	NA	12,799.00	NA

**Also, our Registered and Corporate Office*

For further details, see “*Risk Factor 21 above – Our Registered and Corporate Office and majority of our Manufacturing Facilities are located on leased properties. There can be no assurance that these lease agreements shall be renewed upon termination or that we shall be able to obtain other premises on lease on same or similar commercial terms, which could adversely affect our business, results from operations, financial conditions and cash flows.*” on page 47.

Awards and Recognition

For details, see “*History and Certain Corporate Matters – Key Awards, accreditations and recognitions received by our Company*” on page 183.

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 330 of this Draft Red Herring Prospectus.

Environmental Laws

The Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”) and Control of Air Pollution (Grant, Refusal or Cancellation of Consent) Guidelines, 2025 (“the Guidelines”)

Under the Air Act, the relevant state pollution control board may inspect any industrial plant or manufacturing process and give orders, as it may deem fit, for the prevention, control, and abatement of air pollution. Further, under the provisions of the Air Act, the industrial plants and manufacturing processes are required to adhere to the standards for emission of air pollutants laid down by the relevant state pollution control board, in consultation with the central pollution control board. Under the Air Act, the state pollution control boards are empowered to declare air pollution control areas and consent of the state pollution control board is required prior to establishing and operating an industrial plant. The consent by the state pollution control board may contain provisions regarding installation of pollution control equipment and the quantity of emissions permitted at the industrial plant.

The Ministry of Environment, Forest, and Climate Change has issued the Guidelines on January 29, 2025 outlining the procedure for obtaining consent to establish or operate an industrial plant (i.e. plant used for any industrial or trade purpose and emitting any air pollution into the atmosphere), as required under Section 21 of the Air Act. A single-step procedure shall be adopted for granting consent under section 21 of the Air Act along with authorization under the Hazardous and other wastes (Management and Transboundary movement) Rules, 2016, as amended from time to time, for managing hazardous and other wastes.

The Water (Prevention and Control of Pollution) Act, 1974 (“Water Act”) (“the Water Act”) and Control of Water Pollution (Grant, Refusal or Cancellation of Consent) Guidelines, 2025 (“the Guidelines”)

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the central and state pollution control board. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases, the state pollution control board may cause the local magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines and/or imprisonment.

The Ministry of Environment, Forest, and Climate Change has issued the Guidelines on January 29, 2025 outlining the procedure for obtaining consent to establish or operate an industrial plant (i.e. plant used for any industrial or trade purpose and emitting any water pollution into the atmosphere), as required under Section 25 of the Water Act. A single-step procedure shall be adopted for granting consent under section 25 of the Water Act along with authorization under the Hazardous and other wastes (Management and Transboundary movement) Rules, 2016, as amended from time to time, for managing hazardous and other wastes.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”), as amended by the Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022 (“Amendment Rules”)

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. A list of hazardous wastes and processes that generate hazardous waste have been specified under the Hazardous Waste Rules. We are required to obtain authorizations for, inter

alia, the generation, processing, treatment, package, storage, transportation, use, collection, destruction or transfer of the hazardous waste from the concerned state pollution control board.

Legal Metrology Act, 2009 (“LM Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodity Rules”)

The Legal Metrology Act replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standard weights and measures, regulate trade and commerce in weights, measures and other goods which are or distributed by weight, measure or number and for matters connected therewith or incidental thereto.

The LM Act and rules framed thereunder regulate inter alia, the labelling and packaging of commodities, verification of weights and measures used, and lists penalties for offences and compounding of offences under it. The Controller of Legal Metrology Department is the competent authority to grant the license under the LM Act. Any manufacturer dealing instruments for weights and measuring of goods must procure a license from the state department under the LM Act. The key features of the Legal Metrology Act are (a) appointment of Government approved test centres for verification of weights and measures; (b) allowing the companies to nominate a Director who will be held responsible for breach of provisions of the Legal Metrology Act. Any non-compliance or violation of the provisions of the Legal Metrology Act may result in, among others, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

The Legal Metrology (National Standards) Rules, 2011 (“National Standards Rules”)

The National Standards Rules was framed under Section 52(1) and (a), (b), (d),(e) of sub-section (2) of the LM Act and laid down specific regulations that govern the establishment and maintenance of national measurement standards in India. These rules are designed to ensure uniformity and accuracy in measurements across various sectors, protect consumer interests, and facilitate fair trade. The rules also align with international standards and recommendations, particularly those set by the International Organization of Legal Metrology.

Labour related laws and regulations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws other than state-wise shops and establishments acts, which may be applicable to our Company due to the nature of our business activities:

The Factories Act, 1948 (“Factories Act”)

The Factories Act defines a “factory” to cover any premises including the precincts which employs ten or more workers or employed such number of workers on any day of the preceding twelve months and in which manufacturing process is carried on with the aid of power and, any premises where there are at least twenty workers or employed such number of workers on any day of the preceding twelve months, even though there is no electricity or energy aided manufacturing process being carried on. Each State Government has rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act provides that an occupier of a factory i.e. the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors must ensure the health, safety and welfare of all workers. The occupier and the manager of a factory may be punished in accordance with the Factories Act for different offences in case of contravention of any provision thereof and in case of a continuing contravention after conviction, an additional fine for each day of contravention may be levied.

Other labour laws

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable Labour laws. The following is an indicative list of Labour laws other than the Factories Act and state- wise shops and establishments acts, which may be applicable to our Company due to the nature of our business activities:

- Contract Labour (Regulation and Abolition) Act, 1970
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952

- Employees' State Insurance Act, 1948
- Minimum Wages Act, 1948
- Payment of Bonus Act, 1965
- Payment of Gratuity Act, 1972
- Payment of Wages Act, 1936
- Maternity Benefit Act, 1961
- Industrial Disputes Act, 1947
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- Employees Compensation Act, 1923
- The Child Labour (Prohibition and Regulation) Act, 1986
- The Equal Remuneration Act, 1976 T
- The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
- Building and Other Construction Workers Regulation of Employment and Conditions of Service Act, 1996
- Industrial Employment (Standing Order), Act, 1946
- The Trade Unions Act, 1926 and the Trade Union (Amendment) Act, 2001
- The Code on Wages, 2019*
- The Occupational Safety, Health and Working Conditions Code, 2020**
- The Industrial Relations Code, 2020***
- The Code on Social Security****

* The GoI enacted The Code on Wages, 2019 which received the assent of the President of India on August 8, 2019 Through its notification dated December 18, 2020, the Gol brought into force sections 42(1), 42(2).42(3), 42(10), 42(11), 67(00(x). 67(1)(10) (to the extent that they relate to the Central Advisory Board) and 69 (to the extent that it relates to sections 7. 9 (to the extent that they relate to the Gol) and 8 of the Minimum Wages Act, 1986)) of the Code on Wages. 2019. The remaining provisions of this code will be brought into force on a date to be notified by the Gol. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1963 and the Equal Remuneration Act, 1976.

** The Gol enacted The Occupational Safety, Health and Working Conditions Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Gol. It proposes to subsume several separate legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

*** The Gol enacted The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Gol. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.

**** The Gol enacted The Code on Social Security, 2020 which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Gol. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees State Insurance Act, 1948, the Employees Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers Social Security Act, 2008.

Intellectual Property Laws

The Trade Marks Act, 1999 (the “Trademarks Act”)

The Trademarks Act governs the statutory protection of trademarks and prohibits any registration of deceptively similar trademarks, among others. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label and heading, and to obtain relief in case of infringement of such marks. Indian law permits the registration of trademarks for both goods and services. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trade mark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration are required to be restored. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010 ("**Trademark Amendment Act**") simultaneous protection of trademarks in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark Amendment Act also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice.

Tax Laws

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every domestic or foreign company whose income is taxable under the provisions of this Act or rules made under it depending upon its "Residential Status" and "Type of Income" involved. Under section 139(1) every Company is required to file its income tax return for every previous year by October 31 of the assessment year. Other compliances like those relating to tax deduction at source, fringe benefit tax, advance tax, and minimum alternative tax and the like are also required to be complied with by every company.

Goods and Service Tax ("GST")

GST is an indirect tax applicable throughout India which replaced multiple cascading taxes levied by the central and state governments. The GST is levied as Dual GST separately but concurrently by the Union (central tax CGST) and the States (including Union Territories with legislatures) (State tax SGST) / Union territories without legislatures (Union territory tax- UTGST). The Parliament has exclusive power to levy GST (integrated tax IGST) on inter-State trade or commerce (including imports) in goods or services. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by a GST Council and its Chairman is the Finance Minister of India.

Central Goods and Services Tax Act, 2017 ("CGST Act")

CGST Act regulates the levy and collection of tax on the intra-State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs.

Maharashtra Goods and Services Tax Act, 2017 ("MGST Act")

The Maharashtra Goods and Services Tax Act, 2017 regulates the levy and collection of tax on the supply of goods and services within the state by the state government. The MGST Act covers all the transaction occurring within the geographical boundaries of Maharashtra. The MGST mandates every supplier providing the goods and services to be registered within the state, within 30 days from which it becomes liable for such registration.

Madhya Pradesh Goods and Services Tax Act, 2017 ("MPGST Act")

The Madhya Pradesh Goods and Services Tax Act, 2017 regulates the levy and collection of tax on the supply of goods and services within the state by the state government. The MPGST Act covers all the transaction occurring within the geographical boundaries of Maharashtra. The MPGST mandates every supplier providing the goods and services to be registered within the state, within 30 days from which it becomes liable for such registration.

The Integrated Goods and Services Tax Act, 2017 (“IGST Act”)

The IGST Act regulates the levy and collection of tax on the inter-State supply of goods and services by the Central Government or State Governments. It also includes the import and export of goods and services. The IGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration.

Foreign Exchange Laws

Foreign Trade Act empowers the Government of India to, among other things, (a) make provisions for development and regulation of foreign trade; (b) prohibit, restrict Foreign Trade Act empowers the Government of India to, among other things, (a) make provisions for development and regulation of foreign trade; (b) prohibit, restrict or otherwise regulate exports and imports; (c) formulate an EXIM policy; and (d) appoint a Director General of Foreign Trade for the purpose of administering foreign trade and advising the Central Government in formulating EXIM policy and implementing the same. Every importer and exporter is required to obtain an ‘Importer Exporter Code’ from the Director General of Foreign Trade or from any other duly authorized officer.

Foreign Trade Policy

The Foreign Trade Policy provides that no export or import can be made by a person without an IEC unless such person is specifically exempted. The policy provides for all exports and imports made shall be governed by the Foreign Trade Policy, The Foreign Trade Policy provides that no export or import can be made by a person without an IEC unless such person is specifically exempted. The policy provides for all exports and imports made shall be governed by the Foreign Trade Policy, unless otherwise specified. FTP provides for handbook of procedures laying down the procedure to be followed by an exporter or importer or by any Licensing/Regional Authority or by any other authority for purposes of implementing provisions of FT (D&R) Act, the Rules and the Orders made there under and provisions of FTP. Under the Foreign Trade (Development and Regulation) Act, 1992, the Central Government is empowered to periodically formulate the Export Import Policy (the EXIM Policy) and amend it thereafter whenever it deems fit. All exports and imports must be in compliance with the EXIM Policy. The iron and steel industry has been extended various schemes for the promotion of exports of finished goods and imports of inputs. The major schemes available are the Duty Exemption and Remission Scheme and the Export Promotion of Capital Goods (EPCG) Scheme. The Duty Exemption Scheme enables duty free imports of inputs required for the production of exports by obtaining an advance license. The Duty Remission Scheme enables post export replenishment/remission of duty on inputs used in the export product. This scheme consists of a Duty Free Import Authorization Scheme (DFIA), the Duty Drawback Scheme (DBK) and the Duty Entitlement Pass Book (the DEPB). DFIA enables duty free replenishment of inputs used in manufacture of exports. Under the DEPB Scheme, exporters on the basis of notified entitled rates are granted duty credit, which would entitle them to import goods, except capital goods, without duty.

The Customs Act, 1962

All the laws relating to customs are consolidated under the Indian Customs Act, 1962. The provisions relating to appointment of customs ports, airports, warehousing stations are laid down under the Act. There shall be absolute or partial prohibition on import or export of goods by the Central Government for maintenance of security in India. The interest on levy of or exemption of customs duty is laid down under Chapter V of the Act. The clearance of imported goods and export shall not apply to baggage and goods imported or to be exported by post.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as ‘Hy-Tech Engineers Private Limited’, as a private limited company under the provisions of the Companies Act, 1956 pursuant to certificate of incorporation dated December 18, 1978, issued by Registrar of Companies, Maharashtra at Mumbai (“RoC”). Subsequently, our Company was converted into a public limited company and the name of our Company was changed to ‘Hy-Tech Engineers Limited’ pursuant to resolution passed by our Board on February 18, 2022, a special resolution passed by our Shareholders dated February 24, 2022, and a fresh certificate of incorporation dated March 23, 2022 was issued by the RoC.

Changes in the Registered Office of our Company since incorporation

Except as disclosed below, there have been no change in the registered office of our Company since its incorporation:

Date of Change	Details of Change	Reason(s) for Change
1980*	The registered office of our Company was changed from 66, Punjani Industrial Estate, Pokhran Road No. 1, Khopat, Thane – 400 601 to 100/101, Punjani Industrial Estate, Pokhran Road No. 1, Khopat, Thane-400 601	For operational convenience
February 01, 1994	The registered office of our Company was changed from 100/101, Punjani Industrial Estate, Pokhran Road No. 1, Khopat, Thane-400 604 to Plot No. A/433, Road No.28, Wagle Industrial Estate, Thane-400 604	For operational convenience
January 15, 2002	The registered office of our Company was changed from Plot No. A/433, Road No.28, Wagle Industrial Estate, Thane-400 604 to Plot No. A-160, Main Road, Wagle Industrial Estate, Thane-400 604.	For operational convenience

**Form 18 and the challan filed for along with Board resolution for change in registered office address is not traceable in the records of our Company, nor are they available with the RoC. For further details with respect to these missing records, see Risk Factor 16 - We are unable to trace some of our historical records and regulatory filings by our Company. Further, there have been certain inadvertent errors or inaccuracies in the filings made with RoC. We cannot assure you that legal proceedings or regulatory actions will not be initiated against us in the future, which could adversely affect our financial condition and reputation.” on Page 44.*

Main objects of our Company

The main objects as contained in our Memorandum of Association are as follows:

1. To carry on the business of manufacturers of and dealers in hydraulic high-pressure fittings, hydraulic pumps, hydraulic valves, pressure gauges, couplings, tubing, power packs, cylinders, accessories and other equipments for hydraulic and industrial applications.
2. To carry on business of drawing, designing, manufacturing, erecting, commissioning, advising for hydraulic and industrial machinery, equipment, accessories and systems and to render all kinds of consulting and technical services in connection therewith.
3. To manufacture, prepare for sale, buy, sell, repair, alter, convert, recondition, improve, exchange, barter, import, export, let-out on hire, trade and deal in all kinds of hydraulic fittings, accessories, components, equipments and machineries for mechanical, industrial, and electrical applications.
4. To carry on in India or elsewhere the business of manufacturing, importing, exporting, trading, fabricating, assembling, drawing and advising for forgings or machined forging for machines, automobile, equipments, spares and components.

Amendments to our Memorandum of Association in the last ten years

Set out below are the amendments to our MoA in the last ten years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' Resolution / Effective Date	Details of the amendments
February 07, 2022	Clause V of the MoA was amended to reflect the sub-division of the equity shares of our Company from ₹3,729,100 divided into 37,291 equity shares of ₹100 each to ₹3,729,100 divided into 372,910 equity shares of ₹10 each.
February 24, 2022	Clause V of the MoA was amended to reflect the increase in the authorized share capital of our Company. The authorized share capital of our Company was increased from ₹7,500,000 divided into 750,000 equity shares of ₹10 each to ₹350,000,000 divided into 35,000,000 equity shares of ₹10 each
February 24, 2022	Clause I of the MoA was amended to reflect the change in name of our Company from ' <i>Hy-Tech Engineers Private Limited</i> ' to ' <i>Hy-Tech Engineers Limited</i> ' pursuant to the conversion of our Company from a private limited company to a public limited company.
February 06, 2025	Clause V of the MoA was amended to reflect the increase in the authorized share capital of our Company. The authorized share capital of our Company was increased from ₹35,00,00,000 divided into 3,50,00,000 equity shares of ₹ 10 each to ₹52,00,00,000 divided into 5,20,00,000 equity shares of ₹ 10 each.
February 06, 2025	Clause V of the MoA was amended to reflect the sub-division of the equity shares of our Company from ₹52,00,00,000 divided into 5,20,00,000 equity shares of ₹10 each to ₹52,00,00,000 divided into 10,40,00,000 equity shares of ₹5 each.

Major events and milestones of our Company

The table below sets forth the major events and milestones in the history of our Company:

Calendar Year	Details
1978	Incorporation of our Company
1987	We set up a unit at Pune, Maharashtra
1991	We set up a unit at Thane, Maharashtra, for shifting of operations from Pune for operational convenience.
2005	We set up our Thane Unit in Maharashtra
2008	We set up our Pithampur (Unit-I) in Madhya Pradesh
2010	We set up our Shirwal Unit in Maharashtra
2014	Acquired our erstwhile subsidiary, Sagar Forge Private Limited, pursuant to a Scheme of Amalgamation with our Company and their respective shareholders and creditors, following which we commenced operations of the Nashik Unit previously operated by Sagar Forge Private Limited.
2021	We set up our Pithampur (Unit-II) in Madhya Pradesh
2021	We set up our Kavathe Unit in Maharashtra

Key awards, accreditations and recognitions

The table below sets forth certain key awards, accreditations, certifications and recognitions received by our Company.

Calendar Year	Certification/ Awards
2012	Imai Operation Excellence Award awarded to Hy-tech Group including our Company and its Group Company, NR Hytech Engineers Private Limited for 'excellence in design, implementation & long-term use of an employee partnership model' towards successful employee engagement.
2023	Kaizen award – Silver from Confederation of Indian Industry - CII
2023	Certificate of Recognition as a 'Two Star Export House' awarded by the Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India.

Time and cost overruns

There have been no time and cost overrun in the business operations of our Company as on the date of this Draft Red Herring Prospectus.

Defaults or re-scheduling/ restructuring of borrowings with financial institutions/banks

There have been no defaults or rescheduling/restructuring of borrowings with financial institutions/ banks in respect of our Company's borrowings from the lenders as on the date of this Draft Red Herring Prospectus.

Significant financial and / or strategic partners

Our Company does not have any significant financial and / or strategic partners as on the date of this Draft Red Herring Prospectus.

Launch of key products or services, entry into new geographies or exit from existing markets

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets to the extent applicable, see “*Our Business*” and “*–Major Events and Milestones of our Company*” on pages 177 and 200, respectively.

Capacity/facility creation, location of Manufacturing Facilities

For details regarding locations of our Manufacturing Facilities, see “*Our Business*” on page 177.

Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten years

Except as stated below, our Company has not made any material acquisitions or divestments of business/ undertakings, and have not undertaken any merger, amalgamation or any revaluation of assets during the ten years preceding the date of this Draft Red Herring Prospectus.

Pursuant to the Share Buy-Back Agreement dated February 18, 2022 entered into our Company and our erstwhile subsidiary (Hy-Tech USA Inc.), our Company has tendered its entire shareholding of 400 shares held in Hy-Tech USA Inc. for a consideration of \$ 1,350 per share. Consequent to completion of such buy-back, Hy-Tech USA Inc. has ceased to be our subsidiary.

Our Holding Company

As on the date of this Draft Red Herring Prospectus, our Company does not have any holding company.

Our Subsidiaries, Joint Ventures and Associates

As on date of this Draft Red Herring Prospectus our Company has 1 (one) wholly owned subsidiary i.e. Hytech ACR Private Limited. Our Company does not have any Joint Venture or Associate as on the date of this Draft Red Herring Prospectus.

Details of Subsidiary

Hytech ACR Private Limited (HAPL)

Corporate Information

HAPL is a company incorporated on February 06, 2019, under the provisions of Companies Act, 2013, as a private limited company. The registered office of HAPL is situated at Plot No. A-160, RD 17, Wagle Estate, Thana, Thane-400604, Maharashtra. The CIN of HAPL is U74999MH2019PTC320731.

The board of directors of HAPL have passed a resolution on July 21, 2025 for the striking off its name from the records of RoC. HAPL has filed a form STK-2 with the RoC for the striking off its name which is currently pending for approval as on date of this Draft Red Herring Prospectus.

Nature of Business

HAPL is authorized to *inter alia* engage in the business of manufacturing and dealing of refrigerator and air conditioner parts, components, accessories, articles and fittings.

Capital Structure

As on the date of this Draft Red Herring Prospectus, the authorized share capital of HAPL is ₹10,000,000 comprising of 1,000,000 equity shares having face value of ₹10 each.

HAPL has issued, subscribed and paid-up share capital of ₹9,830,630 divided into 983,063 equity shares of ₹10 each.

Sr. No.	Name of the Shareholders	No. of equity shares of ₹10 each	% of issued capital
1.	Hy-Tech Engineers Limited	983,057	99.99%
2.	Mahesh Vishwanath Karlekar*	1	Negligible [#]
3.	Hemant Tukaram Mondkar*	1	Negligible [#]
4.	Surekha Hemant Mondkar*	1	Negligible [#]
5.	Raju Ganapatasa Meharwade*	1	Negligible [#]
6.	Sanjay Jadhav*	1	Negligible [#]
7.	Makarand Madhusudan Joshi*	1	Negligible [#]
Total		983,063	100.00%

*Nominee shareholders of Hy-Tech Engineers Limited

[#] less than 0.01%

Amount of accumulated profits or losses

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of HAPL not accounted for by our Company.

Shareholders' agreements and other agreements

Our Company has no arrangements or agreements, deeds of assignment, acquisition agreements, shareholders' agreements, inter-se agreements, or any other agreements between our Company, our Promoters and Shareholders, or agreements of like nature or agreements comprising any clauses/covenants which are material to our Company. Further, there are no other clauses/covenants that are adverse or prejudicial to the interest of the minority/public Shareholders of our Company.

Other material agreements

There are no subsisting material agreements/ arrangements entered into by our Company or clauses / covenants applicable to our Company which are material, and which are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Offer.

Agreements with Key Managerial Personnel, Senior Management Personnel, Directors, Promoters, or any other employee

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel, Senior Management Personnel, Directors, Promoters, or any other employees of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Other Confirmations

There are no material clauses of our Articles of Association that have been left out from disclosures having bearing on the Offer or this Draft Red Herring Prospectus.

Our Subsidiary is not listed on any stock exchange in India or abroad. Further, neither have any of the securities of our Subsidiary have been refused listing during the last 10 years by any stock exchange in India or abroad, nor have our Subsidiary failed to meet the listing requirements of any stock exchange in India or abroad.

There are no conflicts of interest between our Subsidiary (including their respective directors) and any lessors/ owners of immovable properties (who are crucial for operations of the Company).

There are no conflicts of interest between our Subsidiary (including their respective directors) and any suppliers of raw materials and third party service providers (who are crucial for operations of the Company).

Details of guarantees given to third parties by our Promoter Selling Shareholders

Except as disclosed below, our Promoter Selling Shareholders have not provided any guarantees to any third parties as on the date this Draft Red Herring Prospectus:

Name of Selling Shareholder	Loan Sanction Dae	Name of Lender	Sanctioned Amount (in ₹ Million)	Loan Type*	Details of Security	Term of Loan
Hemant Tukaram Mondkar and Surekha Hemant Mondkar	31/05/2021	TJSB Sahakari Bank Limited	80.00	Hypothecation loan cum FCTL under Line of Credit	Hypothecation of Plant & Machinery (Existing and Future), Land & Building at Thane, Pithampur & Shirwal	66 months
Hemant Tukaram Mondkar and Surekha Hemant Mondkar	07/01/2022	TJSB Sahakari Bank Limited	8.00	TJSB Auto Finance Limited	Hypothecation of motor car via. Hypothecation agreement for vehicle advance. Mercedes Benz	60 months
Hemant Tukaram Mondkar and Surekha Hemant Mondkar	27/01/2022	TJSB Sahakari Bank Limited	2.00	TJSB Auto Finance Loan	Hypothecation of motor car via. Hypothecation agreement for vehicle advance. Tata Harrier XMA	60 months
Hemant Tukaram Mondkar and Surekha Hemant Mondkar	14/03/2023	TJSB Sahakari Bank Limited	80.00	Property Loan cum FCTL	Factory land & Building constructed in Gat no 26/1/1, Kavathe, Tal - Khandal, Dist - Satara	120 months
Hemant Tukaram Mondkar and Surekha Hemant Mondkar	02/12/2023	TJSB Sahakari Bank Limited	110.50	Hypothecation loan cum FCTL under line of Credit	Hypothecation of Plant & Machinery (Existing and Future), Land & Building at Thane, Pithampur & Shirwal	96 months
Hemant Tukaram Mondkar and Surekha Hemant Mondkar	02/12/2023	TJSB Sahakari Bank Limited	102.00	Hypothecation loan cum FCTL under Line of Credit	Hypothecation of Plant & Machinery (Existing and Future), Land & Building at Thane, Pithampur & Shirwal	96 months
Hemant Tukaram Mondkar and Surekha Hemant Mondkar	06/01/2025	TJSB Sahakari Bank Limited	220.00	Cash Credit Limit	Stock and Book Debts	Renewed Every Year
Hemant Tukaram Mondkar and Surekha Hemant Mondkar	06/01/2025	Thane Janata Sahakari Bank Limited	100.00	Forward contract	10% Margin in FDR	Renewed Every Year
Hemant Tukaram Mondkar and Surekha Hemant Mondkar	06/01/2025	TJSB Sahakari Bank Limited	120.00	Non fund based facilities	10% Margin in FDR, Stock and Book Debts	Renewed Every Year
Hemant Tukaram Mondkar and Surekha Hemant Mondkar	06/01/2025	TJSB Sahakari Bank Limited	1.50	Non fund based facilities	10% Margin in FDR	Renewed Every Year

*Loans availed by our Company

Additionally, Hemant Tukaram Mondkar has issued a guarantee in favour of the TJSB Sahakari Bank Limited, as security in connection with the facilities aggregating to ₹ 284.25 million availed by our Group Company, NR Hy-Tech Engineers Private Limited.

Except for the obligations of counter-indemnity to be provided by a borrower (i.e., our Company in the capacity of a principal debtor) to a guarantor, in the event of default of the loans in favour of which the foregoing guarantees have been provided and upon subsequent invocation of the guarantee by a lender, there are no obligations on our Company with respect to the guarantees listed above.

OUR MANAGEMENT

In terms of the Companies Act and the Articles of Association, our Company is authorised to have a minimum of 3 (three) Directors and maximum up to 15 (fifteen) Directors. As on the date of this Draft Red Herring Prospectus, our Board has seven directors on its Board comprising of a Managing Director, 1 (one) Executive Director, 1 (one) Non-Executive Director and 4 (four) Independent Directors out of which one is a woman director.

Board of Directors

Details regarding our Board as on the date of this Draft Red Herring Prospectus are set forth below:

S. No.	Name, designation, address, occupation, period of directorship, current term, date of birth, DIN and Age	Other Directorships
1.	Hemant Tukaram Mondkar Designation: Chairman and Managing Director Address: 504/505, Rajmahal Society, Panchpakhadi, Gen. Arunkumar Vaidya Marg, Thane West- 400602, Maharashtra Occupation: Business Period of Directorship: Director since January 15, 1979* Term: Two years w.e.f. April 01, 2024 Date of Birth: December 30, 1947 DIN: 00060995 Age: 77 years	Indian companies 1. Fasto Engineering Private Limited 2. Hytech ACR Private Limited[#] 3. NR Hytech Engineers Private Limited Foreign companies Nil
2.	Surekha Hemant Mondkar Designation: Executive Director Address: 504/505, Rajmahal Society, Panchpakhadi, Gen. Arunkumar Vaidya Marg, Thane West- 400602, Maharashtra Occupation: Business Period of Directorship: Director since March 31, 2021 Term: Two years w.e.f. April 01, 2024 Date of Birth: February 22, 1948 DIN: 00040920 Age: 77 years	Indian Companies 1. Hytech ACR Private Limited[#] 2. NR Hytech Engineers Private Limited Foreign Companies Nil
3.	Ashwin Hemant Mondkar Designation: Non-Executive Director Address: 14501, Charter Walk Lane, Midlothian, Virginia, 23114-4698 Occupation: Business	Indian Companies Nil Foreign Companies Hy-Tech USA Inc.

S. No.	Name, designation, address, occupation, period of directorship, current term, date of birth, DIN and Age	Other Directorships
	Period of Directorship: Director since May 27, 2021 Term: Liable to retire by rotation Date of Birth: October 28, 1974 DIN: 09186220 Age: 50 years	
4.	Vivek Sadashiv Patwardhan Designation: Independent Director Address: Near Korum Mall, 122-Jyeshta, Tarangan-2, Building No-9, Jekegram, Thane-400606, Maharashtra Occupation: Professional Period of Directorship: Director since September 16, 2021 Term: Up to March 31, 2030 Date of Birth: May 31, 1951 DIN: 07140190 Age: 74 years	Indian Companies Nil Foreign Companies Nil
5.	Satish Prabhakar Kulkarni Designation: Independent Director Address: Near Galleria Market, B-403, Valencia CHS, Central Avenue Road, Hiranandani Garden, Powai IIT, Mumbai (Sub Urban) – 400076, Maharashtra Occupation: Professional Period of Directorship: Director since June 30, 2022 Term: Up to March 31, 2030 Date of Birth: January 09, 1969 DIN: 08741350 Age: 56 years	Indian Companies Shree Digvijay Cement Company Limited Foreign Companies Nil
6.	Chetan Ramesh Sapre Designation: Independent Director Address: Flat No. A-702, Sai Amrut CHS, Plot No – 64, Sector-17, Roadpali, Kalamboli Node, Raigarh-410218, Maharashtra. Occupation: Professional	Indian Companies Finascent Consulting Private Limited Foreign Companies Nil

S. No.	Name, designation, address, occupation, period of directorship, current term, date of birth, DIN and Age	Other Directorships
	Period of Directorship: Director since April 08, 2022 Term: Up to March 31, 2030 Date of Birth: April 22, 1974 DIN: 09536839 Age: 51 years	
7.	Nandeeta Amit Vengsarkar Wagh Designation: Additional Independent Director Address: B-606, Gundecha Symphony, Veera Desai Road, Andheri West, Mumbai, Azad Nagar, Maharashtra- 400053. Occupation: Professional Period of Directorship: Director since July 22, 2025 Term: 5 years Date of Birth: January 10, 1971 DIN: 08411366 Age: 54 years	Indian Companies Nil Foreign Companies Nil

**Form 32 filed with RoC and its challan along with Board resolution for appointment of Hemant Tukaram Mondkar is not traceable in the records of our Company, nor are they available with the RoC. For further details with respect to these missing records, see Risk Factor 16 - We are unable to trace some of our historical records and regulatory filings by our Company. Further, there have been certain inadvertent errors or inaccuracies in the filings made with RoC. We cannot assure you that legal proceedings or regulatory actions will not be initiated against us in the future, which could adversely affect our financial condition and reputation." on Page 44.*

#Under the process of striking off.

Brief profiles of our Directors

Hemant Tukaram Mondkar is the Chairman and Managing Director of our Company. He holds Bachelor of Technology in Mechanical Engineering from Indian Institute of Technology, Bombay. He has been associated with our Company since January 1979 and has experience of more than four decades in the hydraulic fittings industry. He is also associated as a director with Fasto Engineering Private Limited, Hytech ACR Private Limited and NR Hytech Engineers Private Limited.

Surekha Hemant Mondkar is the Executive Director of our Company. She holds a Bachelor of Arts (Special) from University of Bombay and Bachelor of Education from University of Bombay. She also holds a degree of Master of Arts from the University of Bombay. She has been associated with the Company since 2021. She is also associated as a director with Hytech ACR Private Limited and NR Hytech Engineers Private Limited.

Ashwin Hemant Mondkar is the Non-Executive Director of our Company. He holds a Bachelor of Engineering in Computer Engineering from University of Mumbai and holds a Master of Business Administration from University of Georgia. He has been a Director on the Board of our Company since May 27, 2021. He is also associated as a director of our Promoter Group member, Hy-Tech USA, Inc. In the past, he was associated with Capital One Services Inc and IBM Global Services Private Limited.

Vivek Sadashiv Patwardhan is the Independent Director of our Company. He holds a Bachelor of Science from the University of Bombay and has also completed a Masters of Labour Welfare from the University of Bombay. He has been associated with our Company since September 16, 2021. In the past, he was associated with Asian Paints Limited for more than 40 years where he retired as the Vice-President of Human Resources Department.

Satish Prabhakar Kulkarni is the Independent Director of our Company. He holds a Bachelor of Engineering in Electronics degree from Shivaji University, Kolhapur and a Post-Graduate Diploma in Management from Indian Institute of Management, Ahmedabad. He has been associated with the Company since June 30, 2022. He is also associated with Shree Digvijay Cement Company Limited as a director. In the past, he was associated for 27 years with Asian Paints Limited and has held the position of Vice-President, Décor in Asian Paints Limited. From the period of January 2019 till May 2020 he has acted as the Chairman of the Board of Directors of SCIB Paints which is the Egyptian subsidiary of Asian Paints Limited.

Chetan Ramesh Sapre is the Independent Director of our Company. He holds a Bachelor of Commerce from the University of Mumbai. He is a fellow member of the Institute of Chartered Accountants of India and holds a Certificate of Practice. He has been associated with our Company since April 08, 2022. He is also associated as a director with Finascent Consulting Private Limited and has been acting as a partner of M/s. G. D. Apte & Co. Chartered Accountants since 2006.

Nandeeta Amit Vengsarkar Wagh is the Additional Independent Director of our Company. She holds a Bachelor of Science from University of Mumbai and holds a Master of Management Studies from Narsee Monjee Institute of Management Studies, Mumbai. She has been associated with our Company since July 22, 2025. In the past, she was associated with Philips Electronics India Limited, Johnson Controls (India) Private Limited and Amcor Flexible India Private Limited.

Relationships between our Directors, Key Managerial Personnel and Senior Management

Except as disclosed below, none of our Directors, Key Managerial Personnel and Senior Management are related to each other:

S. No.	Name of the Directors	Relative	Relationship
1.	Hemant Tukaram Mondkar	Surekha Hemant Mondkar	Spouse
2.	Hemant Tukaram Mondkar	Ashwin Hemant Mondkar	Son
3.	Surekha Hemant Mondkar	Ashwin Hemant Mondkar	Son

Confirmations

None of our Directors are and have not been, during the five years preceding the date of this Draft Red Herring Prospectus, a director on the board of any listed company whose shares have been or were suspended from being traded on the BSE or NSE during their term of directorship in such company.

None of our Directors were or are directors on the board of listed companies which have been or were delisted from any stock exchange(s) during their term of directorship in such company.

None of our Directors have been identified as Wilful Defaulters or Fraudulent Borrower by any bank or financial institution or consortium, in accordance with the applicable guidelines issued by the Reserve Bank of India.

No consideration, either in cash or shares or in any other form has been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce them to become or to help them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

Terms of appointment of our directors:

Terms of appointment of our Managing Director

Hemant Tukaram Mondkar

Hemant Tukaram Mondkar is the Chairman & Managing Director of our Company. He has been re-appointed as the Managing Director of our Company for a period of 2 (two) years with effect from April 01, 2024, pursuant to resolutions passed by our Board and Shareholders on January 25, 2024 and March 16, 2024, respectively.

The details of remuneration of Hemant Tukaram Mondkar, as approved pursuant to the MD Agreement dated March 26, 2025 and resolution dated January 25, 2024 passed by our Board and a resolution dated March 16, 2024 passed by the Shareholders, are stated below with effect from April 01, 2024:

Particulars	Remuneration (₹)
Remuneration (inclusive of perquisites, benefits and allowances)	₹20.00 million p.a.

During Fiscal 2025, he received a remuneration of ₹11.56 million from our Company.

Terms of appointment of our Executive Director

Surekha Hemant Mondkar

Surekha Hemant Mondkar has been associated with our Company since March 2021. She has been associated with our Company since March 31, 2021, and was re-appointed as the Whole-Time Director of our Company for a period with effect from April 1, 2024, pursuant to resolutions passed by our Board and Shareholders on January 25, 2024 and March 16, 2024, respectively. Further, pursuant to the Board resolution and Shareholders' resolution both dated February 6, 2025, she has been re-designated as the Executive Director of our Company with effect from February 6, 2025.

The details of remuneration of Surekha Hemant Mondkar as approved pursuant to the resolution dated January 25, 2024, passed by our Board and a resolution dated March 16, 2024, passed by the shareholders, as stated below with effect from April 01, 2024:

Particulars	Remuneration (₹)
Remuneration (inclusive of perquisites, benefits and allowances)	₹7.50 million p.a.

During Fiscal 2025, she received a remuneration of ₹2.60 million from our Company.

Terms of appointment of our Non-Executive Directors and Independent Directors

Pursuant to the resolution passed by our Board on June 30, 2022, each Independent Director is entitled to receive sitting fees of ₹50,000 per meeting for attending each meeting of our Board and sitting fees of ₹40,000 per meeting for attending each meeting of the committees of our Board.

The following remuneration was paid to Independent Directors during the Fiscal 2025:

Name of the Director	Sitting Fees (₹ in million)	Commission (₹ in million)
Vivek Sadashiv Patwardhan	0.40	0.30
Satish Prabhakar Kulkarni	0.41	0.60
Chetan Ramesh Sapre	0.41	0.30
Nandeeta Amit Vengsarkar Wagh*	Nil	Nil

*Appointed as Additional Independent Director with effect from July 22, 2025.

Our Company has not paid any remuneration to our Non-Executive Director in Fiscal 2015.

Remuneration paid or payable to our Directors by Subsidiaries

None of our Directors have received or were entitled to receive any remuneration, sitting fees or commission from our Subsidiary for Fiscal 2025.

Arrangements with major shareholders, customers, suppliers, or others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of our Directors, Key Managerial Personnel or Senior Management Personnel were selected as a director, key managerial personnel or member of a senior management as on the date of this Draft Red Herring Prospectus.

Contingent or Deferred Compensation to our Directors

There is no contingent or deferred compensation payable to our Directors which does not form part of their remuneration.

Service contracts with directors

There are no service contracts entered into with any of our Directors which provide for any benefit upon termination of employment.

Bonus or profit-sharing plan for the directors

Our Company does not have any bonus or profit-sharing plan for our Directors.

Shareholding of our Directors in our Company

Our AoA does not require our Directors to hold any qualification shares.

Except as mentioned below, none of our directors hold Equity Shares in our Company as on the date of this Draft Red Herring Prospectus:

Particulars	Number of Equity Shares	Percentage of Shareholding
Hemant Tukaram Mondkar	54,137,840	64.81%
Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar	20,737,920	24.83%
Ashwin Hemant Mondkar	69,76,080	8.35%
Total	81,851,840	97.99%

Interest of our Directors

Our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them, as well as sitting fees and commission, if any, payable to them for attending meetings of our Board and committees thereof.

Our Directors may be deemed as interested in our Company to the extent of the Equity Shares held by them or any Equity Shares that may be subscribed by or allotted to them from time to time. The Directors may also be regarded as interested in the Equity Shares held by them or by their relatives, if any, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Offer. For further details, see “*Our Management – Shareholding of directors in our Company*” and “*Capital Structure*” on pages 209 and 86 respectively of this Draft Red Herring Prospectus. Our Directors may also be deemed to be interested to the extent of any dividend, if any, payable and other distributions in respect of the Equity Shares held by them.

Some of our Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any entity which is promoted by them or in which they are members or in which they hold directorships or any partnership firm in which they are partners in the ordinary course of business, including for purchase of packaging materials. For further details, see “*Restated Consolidated Financial Information - Note 47 – Related Party Transactions*” on page 281.

Except for Hemant Tukaram Mondkar, Surekha Hemant Mondkar and Ashwin Hemant Mondkar, who may be deemed to be interested in the promotion or formation of our Company, none of our Directors have any interest in promotion or formation of our Company. For further details, see “*Our Promoter and Promoter Group*” beginning on page 220 of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or to qualify him/her as a Director, or otherwise for services rendered by him/her or by such firm or company, in connection with the promotion or formation of our Company.

Interest in land and property

None of our Directors are interested in any property acquired by our Company or proposed to be acquired by our Company.

None of our Directors have any interest in any transaction with our Company for acquisition of land, construction of building and supply of machinery, etc.

Business Interest

Except as stated in “*Restated Consolidated Financial Information - Note 47 – Related Party Transactions*” on page 281 and otherwise disclosed in this section, our Directors do not have any other business interest in our Company.

Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are as follows:

Name of Director	Date of Change	Reason for Change
Nandeeta Amit Vengsarkar Wagh	July 22, 2025	Appointment as additional Independent Director
Surekha Hemant Mondkar	February 06, 2025	Re-designation as Executive Director
Milind Shahane	May 01, 2024	Resignation as wholetime director
Milind Shahane	March 16, 2024	Regularization as whole-time director
Milind Shahane	February 01, 2024	Appointment as additional whole-time director
Vivek Sadashiv Patwardhan	September 30, 2022	Regularization as an independent director
Chetan Ramesh Sapre	September 30, 2022	Regularization as an independent director
Satish Prabhakar Kulkarni	September 30, 2022	Regularization as an independent director

Loans to Directors

None of our Directors have availed any loan from our Company.

Appointment of relatives of our Directors to any office or place of profit

Other than as disclosed in this Draft Red Herring Prospectus, none of the relatives of our Directors currently hold any office or place of profit in our Company.

Borrowing Powers of our Board of Directors

Pursuant to a resolution passed by our Board in its meeting dated June 30, 2022 and our Shareholders at their meeting dated July 02, 2022, our Board is authorized to borrow from time to time as it may think fit, any sum or sums of money not exceeding ₹1000.00 million including the money already borrowed by our Company as on such terms and conditions the Board may deem fit, whether the same may be secured or unsecured and if secured, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever or in respect of all, or any of the Company’s assets and effects or properties whether moveable or immoveable, including stock-in-trade, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from the temporary loans obtained from our Company’s bankers in the ordinary course of business) and remaining undischarged at any given time, exceed the aggregate, for the time being, of the paid up capital of our Company and its free reserves as per its latest annual audited financial statements.

Corporate Governance

In addition to the Companies Act, 2013, the provisions of the SEBI Listing Regulations with respect to corporate governance, will also be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the corporate governance requirements prescribed under SEBI Listing Regulations and the Companies Act, particularly, in relation to composition of our Board of Directors and constitution of board level committees.

As on the date of this Draft Red Herring Prospectus, our Company currently has 7 (Seven) Directors on its Board. In compliance with the requirements of the Companies Act and Regulation 17 of the SEBI Listing Regulations, we have a Managing Director, 1 (one) Executive Director, 1 (one) Non-Executive Director and 4 (four) Independent Directors, including 1 (one) woman Independent Director.

Committees of the Board:

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013 or other applicable laws, our Company has constituted the following Board-level committees:

- 1) Audit Committee.
- 2) Nomination and Remuneration Committee.
- 3) Stakeholders' Relationship Committee
- 4) Corporate Social Responsibility Committee
- 5) Risk Management Committee

Audit Committee

The Audit Committee was constituted by our Board at its meeting held on June 30, 2022. The re-constitution of the Audit Committee and their terms of reference were revised by our Board during their meeting held on February 05, 2025. The Audit Committee is in compliance with Section 177 and other applicable provisions of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises:

Name	Position in the Committee	Designation
Chetan Ramesh Sapre	Chairman	Independent Director
Satish Prabhakar Kulkarni	Member	Independent Director
Hemant Tukaram Mondkar	Member	Chairman and Managing Director

The Company Secretary of the Company acts as the Secretary to the Audit committee:

Role of Audit Committee:

The role of the Audit Committee shall include the following:

1. oversee Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. approve payment to statutory auditors for any other services rendered by them;
4. review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. matters required to be included in the Director's Responsibility Statement to be included in the board of directors' report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions; and
 - g. modified opinion(s) in the draft audit report.
5. review, with the management, the quarterly and any other partial year- period financial statements before submission to the Board of Directors for their approval;
6. review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the

utilisation of proceeds of a public or rights issue, and making appropriate recommendations to our Board of Directors to take up steps in this matter;

7. review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. subject to and conditional upon approval of our Board, approval of related party transactions or subsequent modifications thereto;
9. subject to review by our Board, review on quarterly basis, of related party transactions entered into by our Company pursuant to each omnibus approval given;
10. scrutinize inter-corporate loans and investments;
11. valuation of undertakings or assets of our Company, wherever it is necessary;
12. evaluate internal financial controls and risk management systems;
13. review, with the management, performance of statutory and internal auditors, adequacy of the internal checks and control systems;
14. review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. discuss with internal auditors of any significant findings and follow up there on;
16. review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. to review the functioning of the whistle blower mechanism;
20. oversee the procedures and processes established to attend to issues relating to the maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of the Company, whether raised by the auditors or by any other person;
21. act as a compliance committee to discuss the level of compliance in the Company and any associated risks and to monitor and report to the Board on any significant compliance breaches;
22. approve the appointment of the Chief Financial Officer of our Company (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
23. oversee the vigil mechanism established by our Company and the chairman of audit committee shall directly hear grievances of victimisation of employees and directors, who use vigil mechanism to report genuine concerns;
24. review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
25. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and

26. carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board of Directors of the Company or specified/ provided under the Companies Act, 2013 or by any other regulatory authority.

The Audit Committee shall mandatorily review the following information:

- a) management discussion and analysis of financial condition and results of operations.
- b) statement of significant related party transactions (as defined by the Audit Committee), submitted by management
- c) management letters / letters of internal control weaknesses issued by the statutory auditors.
- d) internal audit reports relating to internal control weaknesses; and
- e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) statement of deviations:
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by our Board at its meeting held on June 30, 2022. The Nomination and Remuneration Committee is in compliance with Section 178 and other applicable provisions of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises:

Name	Position in the Committee	Designation
Vivek Sadashiv Patwardhan	Chairman	Independent Director
Chetan Ramesh Sapre	Member	Independent Director
Satish Prabhakar Kulkarni	Member	Independent Director
Hemant Tukaram Mondkar	Member	Chairman and Managing Director

The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

1. formulating and recommending to the Board for its approval and also to review from time to time, a nomination and remuneration policy or processes, as may be required pursuant to the provisions of the Companies Act;
2. evaluating the balance of skills, knowledge and experience on the Board for deciding the proposed appointment of an Independent Director and on the basis of such evaluations, preparing a description of the role and capabilities required from the Independent Director proposed to be appointed on the Board.
3. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the Directors, key managerial personnel and other employees;
4. identifying persons who are qualified to become directors and persons who may be appointed in senior management position in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
5. formulating the criteria for evaluation of performance of independent directors and the Board;

6. recommending to the Board, qualifications, appointment, remuneration and removal of Directors, key management personnel and persons in senior management positions in accordance with the nomination and remuneration policy;
7. devising a policy on diversity of the Board and considering candidates for appointment on the Board, having due regard to diversity;
8. carrying out performance evaluation of every Director in accordance with the nomination and remuneration policy;
9. considering grant of stock options to eligible Directors, formulating detailed terms and conditions of employee stock option schemes and administering and exercising superintendence over employee stock option schemes;
10. engaging the services of any consultant/ professional or other agency for the purpose of recommending compensation structure/ policy;
11. determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and
12. performing such other activities as may be delegated by the Board or specified or provided under the Companies Act, 2013 and the rules and regulations made thereunder or other applicable law, including any amendments thereto as may be made from time to time.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by our Board at its meeting held on February 05, 2025. The Stakeholders' Relationship Committee is in compliance with Section 178 and other applicable provisions of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently comprises of:

Name	Position in the Committee	Designation
Satish Prabhakar Kulkarni	Chairman	Independent Director
Chetan Ramesh Sapre	Member	Independent Director
Hemant Tukaram Mondkar	Member	Chairman and Managing Director

The Company Secretary of the Company acts as the Secretary to the Nomination and Remuneration Committee.

The Stakeholders' Relationship Committee shall oversee all the matters pertaining to investors of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

1. Overseeing and reviewing all matters connected with transfer of Company's securities.
2. Approving issue of duplicate of shares / debentures certificates.
3. Overseeing the performance of the Company's Share Transfer Agent.
4. Monitoring implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.
5. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
6. Reviewing measures taken for effective exercise of voting rights by shareholders.

7. Reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the Share Transfer Agent and recommend methods to upgrade the service standards adopted by the Company.
8. Reviewing various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the security holders of the company.
9. Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by our Board of Directors at their meeting held on June 30, 2022. The Corporate Social Responsibility Committee is in compliance with Section 135 and other applicable provisions of the Companies Act.

The members of the Corporate Social Responsibility Committee are:

Name	Position in the Committee	Designation
Surekha Hemant Mondkar	Chairman	Executive Director
Ashwin Hemant Mondkar	Member	Non-Executive Director
Vivek Sadashiv Patwardhan	Member	Independent Director

The Company Secretary of the Company acts as the Secretary to the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee of our Company are as per Section 135 of the Companies Act, 2013 and the applicable rules thereunder, including:

1. To formulate and recommend a CSR Policy to the Board. CSR Policy shall point out the activities to be undertaken by the Company as enumerated in Schedule VII;
2. To recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company;
3. To monitor the CSR Policy of the Company from time to time;
4. To establish the transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the Company;
5. performing such other activities as may be delegated by the Board or specified or provided under the Companies Act, 2013 and the rules and regulations made thereunder or other applicable law, including any amendments thereto as may be made from time to time.

Risk Management Committee

The Risk Management Committee was constituted by a resolution of our Board dated February 05, 2025. The composition and terms of reference of the Risk Management Committee are in compliance with Regulation 21 of the SEBI Listing Regulations.

The Risk Management Committee currently comprises:

Name	Position in the Committee	Designation
Satish Prabhakar Kulkarni	Chairman	Independent Director
Hemant Tukaram Mondkar	Member	Chairman and Managing Director
Ashwin Hemant Mondkar	Member	Non-Executive Director
Sandeep Manohar Rane	Member	Chief Operating Officer
Sunil Satwani	Member	Chief Financial Officer

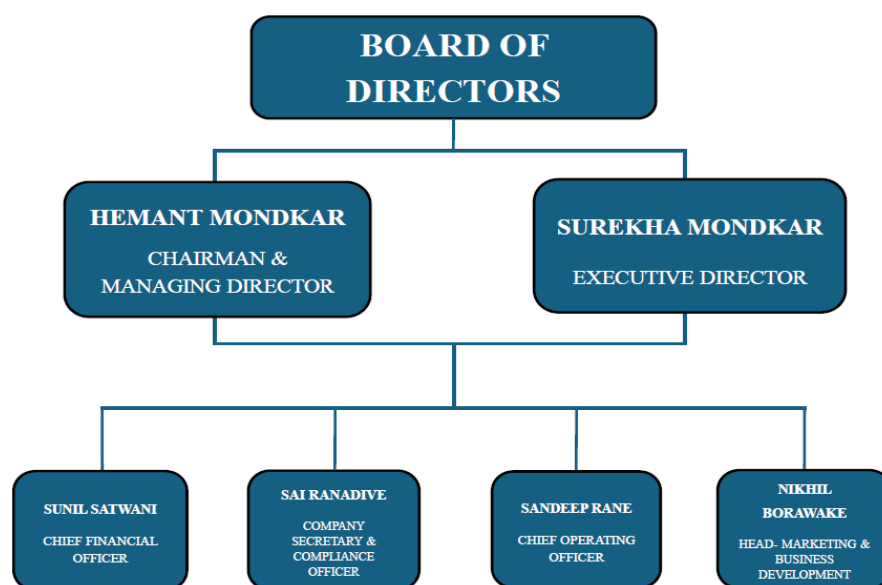
The scope and function of the Risk Management Committee and its terms of reference shall include the following:

1. managing and monitoring the implementation of action plans developed to address material business risks within the Company and its business units, and regularly reviewing the progress of action plans;
2. setting up internal processes and systems to control the implementation of action plans;
3. regularly monitoring and evaluating the performance of management in managing risk;
4. providing management and employees with the necessary tools and resources to identify and manage risks;
5. regularly reviewing and updating the current list of material business risks;
6. regularly reporting to the Board on the status of material business risks;
7. ensuring compliance with regulatory requirements and best practices with respect to risk management;
8. evaluate risks related to cyber security and ensure appropriate procedures are placed to mitigate these risks in a timely manner;
9. access to any internal information necessary to fulfil its oversight role;
10. authority to obtain advice and assistance from internal or external legal, accounting or other advisors;
11. periodically review the risk management processes and practices of the Company and ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
12. Approval of appointment, removal and terms of remuneration of the Chief Risk Officer (if any), and
13. carry out any other function as mentioned in the terms of reference of the Risk Management Committee and any other terms of reference as may be decided by the Board of Directors of the Company or specified under the Companies Act, 2013 or by any other regulatory authority under any other applicable law.

The role of the Risk Management Committee shall be as follows:

1. formulating a detailed risk management policy which shall include:
 - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
 - b) Measures for risk mitigation including systems and processes for internal control of identified risks;
 - c) Business continuity plan;
2. ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. monitoring and overseeing the implementation of the risk management policy including evaluating adequacy of risk management systems;
4. periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. regularly reporting to the Board about the nature and content of its discussions, recommendations and actions to be taken;
6. coordinate its activities with the other Committees in instances where there is any overlap with activities of such other committee, as per the framework laid down by the Board.

Management Organization Structure



Key Management Personnel

In addition to Hemant Tukaram Mondkar, Chairman and Managing Director, whose details are provided in “- *Brief profiles of our Directors*” on page 206, the details of our other Key Managerial Personnel in terms of the SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus are set forth below:

Sunil Satwani is the Chief Financial Officer of our Company since December 28, 2024. He has been associated with the Company since September 05, 2022. He is a member of the Institute of Chartered Accountants of India (ICAI) and holds a degree in Bachelor of Commerce from S.S. Jain Subodh College, Jaipur. He has also completed a certificate course on International Financial Reporting Standards by ICAI. He was previously associated with Sharp and Tannan, Chartered Accountants and Larsen and Tubro Limited. In Fiscal 2025, he has been paid an aggregate remuneration of ₹ 2.61 million.

Sai Yashwant Ranadive is the Company Secretary and Compliance Office of the Company since February 05, 2025. She is an associate member of the Institute of Company Secretaries of India (ICSI) and holds a bachelor’s degree of law from University of Mumbai. She also holds a degree of Master of Commerce in Business Policy and Corporate Governance from Indira Gandhi National Open University. She was previously associated with Cimpfyfive Corporate Secretarial Services Private Limited. In Fiscal 2025, she has been paid an aggregate remuneration of ₹ 0.16 million.

Members of the Senior Management of the Company

In addition to Sunil Satwani, the Chief Financial Officer and Sai Yashwant Ranadive, the Company Secretary and Compliance Officer of our Company, whose details are provided under “- *Key Management Personnel*” on page 217, the details of our other members of the Senior Management in terms of SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus are set forth below:

Sandeep Rane is the Chief Operating Officer of our Company since December 28, 2024. He has been associated with our Company since April 01, 2023. He holds a bachelor’s degree in engineering from University of Mumbai and Diploma in Mechanical Engineering from Board of Technical Examinations Maharashtra State. He also holds post graduate diploma in management for executives in manufacturing jointly from the Indian Institute of Management, Calcutta. Prior to joining our Company, he was associated with Mahindra CIE Automotive Limited, Spicer India Private Limited, MAHLE Filter Systems (India) Limited, Eaton Industries Private Limited, Caterpillar India Private Limited, Tractor Engineers Limited and Mahindra and Mahindra Limited. He has been paid an aggregate remuneration of ₹ 4.32 million in fiscal 2025.

Nikhil Balasaheb Borawake is the Head- Marketing and business development of our Company since December 28, 2024. He has been associated with our Company since September 22, 2020. He holds a bachelor's degree of Engineering in Mechanical Engineering from University of Pune and holds a degree of Master of Engineering from Savitribai Phule Pune University. He also holds a post graduate diploma in piping design and Engineering from Maharashtra Institute of Technology. He was previously associated with Fluid Control Private Limited and Rieco Industries Limited. He has been paid an aggregate remuneration of ₹1.79 million in fiscal 2025.

Status of Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Interest of Key Management Personnel and Senior Management

Other than as provided in “*Our Management – Interest of our Directors*” on page 209, our Key Managerial Personnel and Senior Management do not have any interest in our Company, other than to the extent of the remuneration, benefits, interest of receiving dividends on the Equity Shares held by them, if any, reimbursement of expenses incurred in the ordinary course of business.

Bonus or profit-sharing plan for the Key Management Personnel and Senior Management

None of our Key Managerial Personnel and Senior Managerial Personnel are entitled to any bonus (excluding performance linked bonus) or profit-sharing plans of our Company.

Shareholding of Key Management Personnel and Senior Management

Except as disclosed in “*Details of the Pre and Post Offer shareholding of our Promoter, members of our Promoter Group, Key Managerial Personnel, Senior Managerial Personnel and Promoter Selling Shareholders*” on page 101, none of our Key Managerial Personnel or Senior Management hold any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus

Changes in Key Management Personnel and Senior Management during the last three years

Changes in our Key Management Personnel and Senior Management during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

Name of KMP	Date of Change	Reason for Change
Sai Yashwant Ranadive	February 05, 2025	Appointment as Company Secretary and Compliance Officer
Sunil Satwani	December 28, 2024	Appointment as Chief Financial Officer
Sandeep Rane	December 28, 2024	Appointment as Chief Operating Officer
Nikhil Balasaheb Borawake	December 28, 2024	Appointment as Head - Marketing and Business Development
Raju Mehrawade	October 28, 2024	Resignation as Executive Vice President- Sales & Marketing
Surekha Hemant Mondkar	April 01, 2024	Re-appointment as Whole-time Director
Hemant Tukaram Mondkar	April 01, 2024	Re-appointment as Managing Director
Mahesh Karlekar	March 31, 2024	Resignation as Chief Operating Officer
Akshay Hegde	May 30, 2023	Resignation as Company Secretary
Akshay Hegde	June 30, 2022	Appointment as Company Secretary

Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel and Senior Management Personnel have been appointed or selected as a Key Managerial Personnel or Senior Management Personnel pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

There is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management for Fiscal 2025.

Service Contracts with Key Managerial Personnel and Senior Management

Our Company has not entered into any service contracts, pursuant to which its Key Managerial Personnel or Senior Management are entitled to benefits upon termination of employment. Except statutory benefits upon termination of their employment in our Company or superannuation, no Key Managerial Personnel or Senior Management are entitled to any benefit upon termination of employment or superannuation.

Employee stock option and stock purchase scheme

Our Company has not formulated any employee stock option plan or employee stock purchase scheme as on the date of this Draft Red Herring Prospectus.

Payment or benefits to officers of our Company (non-salary related)

Except as stated under “*Terms of appointment of our Managing Director and Executive Directors*”, “*Terms of appointment of our Non-Executive Directors and Independent Directors*”, “*Bonus or profit-sharing plan for the Directors*” and “*Bonus or profit-sharing plan for the Key Managerial Personnel and Senior Management*”, no amount or benefit has been paid or given in the last two (2) years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given, other than any statutory payment or in the ordinary course of their employment, for services rendered as any officer of our Company including our Directors, Key Management Personnel and Senior Management. For further details, see to “*Restated Consolidated Financial Information - Note 47 – Related Party Transactions*” on page 281 of this Draft Red Herring Prospectus.

Other confirmations

There is no conflict of interest between the suppliers of raw materials and third-party service providers (which are crucial for operations of our Company) and any of our Directors or Key Managerial Personnel.

There is no conflict of interest between the lessors of our immovable properties of our Company (which are crucial for operations of our Company), and any of our Directors or Key Managerial Personnel.

OUR PROMOTER AND PROMOTER GROUP

Our Promoters

Hemant Tukaram Mondkar, Surekha Hemant Mondkar and Ashwin Hemant Mondkar are the Promoters of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 81,851,840 Equity Shares of face value of ₹ 5 each, representing 97.99% of the issued, subscribed and paid-up Equity Share Capital of our Company on a fully diluted basis, as set out below:

S. No.	Name of Promoter	Number of Equity Shares held	Percentage of the Equity share capital (on a fully diluted basis) (%)
1.	Hemant Tukaram Mondkar	54,137,840	64.81%
2.	Surekha Hemant Mondkar	20,737,920	24.83%
3.	Ashwin Hemant Mondkar	6,976,080	8.35%

For further details, see “Capital Structure – History of build-up of Promoters’ shareholding (including Promoters’ contribution) and Lock-in of Promoters’ shareholding” on page 96.



Hemant Tukaram Mondkar, born on December 30, 1947, aged 77 years, is one of our Promoters. He is also the Chairman and Managing Director of our Company.

He resides at 504/505, Rajmahal Society, Panchpakhadi, Gen. Arunkumar Vaidya Marg, Thane West- 400602, Maharashtra. For a complete profile of Hemant Tukaram Mondkar, along with details of his educational qualifications, professional experience, posts held in the past, directorship held, business and other financial activities, see “Our Management – Board of Directors” and “Our Management – Brief profiles of directors” on page 204 and 206 of this Draft Red Herring Prospectus.

His permanent account number is AAPP6205J.



Surekha Hemant Mondkar, born on February 22, 1948, aged 77 years, is one of our Promoters and the Executive Director of our Company.

She resides at 504/505, Rajmahal Society, Panchpakhadi, Gen. Arunkumar Vaidya Marg, Thane West- 400602, Maharashtra. For a complete profile of Surekha Hemant Mondkar, along with details of her educational qualifications, professional experience, posts held in the past, directorship held, business and other financial activities, see “Our Management – Board of Directors” and “Our Management – Brief profiles of directors” on page 204 and 206 of this Draft Red Herring Prospectus.

Her permanent account number is AHZPM8450A.



Ashwin Hemant Mondkar, born on October 28, 1974, aged 50 years, is one of our Promoters and the Non-Executive Director of our Company.

He resides at 14501, Charter Walk Lane, Midlothian, Virginia, 23114-4698. For a complete profile of Ashwin Hemant Mondkar along with details of his educational qualifications, professional experience, posts held in the past, directorship held, business and other financial activities, see “Our Management – Board of Directors” and “Our Management – Brief profiles of directors” on page 204 and 206 of this Draft Red Herring Prospectus.

His permanent account number is ALAPM3635N.

Our Company confirms that the details of the permanent account number, bank account numbers, aadhar card numbers, driving license numbers and passport numbers of our Individual Promoters will be submitted to the Stock Exchange(s) at the time of filing of this Draft Red Herring Prospectus.

Change in control of our Company

There has been no change in control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus. However, pursuant to a resolution passed by our Board on July 22, 2025, Hemant Tukaram Mondkar, Surekha Hemant Mondkar and Ashwin Hemant Mondkar have been identified as Promoters of the Company.

Interests of our Promoters

Interest in promotion of our Company

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) of their respective shareholding in our Company, directly and indirectly, including the dividend payable, if any, (iii) of any other distributions in respect of the Equity Shares held by them in our Company, from time to time; (iv) any directorships that they may hold in our Company, and to the extent of remuneration payable to them in this regard, as applicable; (v) that our Company has undertaken transactions with them, or their relatives or entities in which our Promoters hold shares or have an interest, if applicable. For further details, see “*Capital Structure – History of build-up of Promoters’ shareholding (including Promoters’ contribution) and Lock-in of Promoters’ shareholding*” on page 96.

Our Promoters may be deemed to be interested to the extent of their remuneration and reimbursement of expenses, payable to them, if any in their capacity as Directors. For further information, see “*Summary of the Offer Document – Summary of Related Party Transactions*”, “*Our Management – Interest of our Directors*” and “*Our Management – Interest of Key Managerial Personnel and Senior Management*” on pages 28, 209 and 218, respectively.

No sum has been paid or agreed to be paid to our Promoters or to such firm or company in which our Promoters are interested as members, in cash or shares or otherwise by any person either to induce our Promoters to become, or qualify them as a director or promoter, as applicable or otherwise for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Except as disclosed above and as disclosed in “*Restated Consolidated Financial Information – Note 47 - Related Party Transactions*” on page 281, respectively, no amount or benefit has been paid or given by our Company or its Subsidiaries to any of our Promoters, or any of the members of the Promoter Group during the two years preceding the filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or any of the members of the Promoter Group.

Our Promoters have no interest in any property acquired by our Company during the three years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Other ventures of our Promoters

Our Promoters are interested in certain ventures which may be engaged in similar line of business as that of our Company. In case any conflict arises in the future, our Company and these ventures will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they may arise. Other than as disclosed in “*- Entities forming part of our Promoter Group*” and “*Our Management*” on pages 222 and 204, our Promoters are not interested in any other ventures.

Payment or benefits to the Promoters and Promoter Group

Except as stated otherwise under “*Restated Consolidated Financial Information – Note 47 - Related Party Transactions*” on page 281 and in “*- Interest of our Promoters*” on page , there has been no other payment or benefit to our Promoters or Promoter Group nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

Material guarantees given by our Promoters to third parties with respect to Equity Shares of our Company

Our Promoters have not given any material guarantees to any third party with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

Companies and firms with which our Promoters have disassociated in the last three years

Except as disclosed below, our Promoters have not disassociated themselves from any company or firm in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Name of the Promoter	Name of the Company or firm from which the Promoter has disassociated	Reasons for and circumstances leading to disassociation	Date of disassociation
Hemant Tukaram Mondkar	Earthmac Hytech Private Limited	Voluntary Strike-Off	December 12, 2022
	Hy-Tech USA Inc.	Cessation of Directorship	January 07, 2023
	Federation of Industries of India-TMA	Cessation of Directorship	September 18, 2024
Surekha Hemant Mondkar	Earthmac Hytech Private Limited	Voluntary Strike-Off	December 12, 2022

Confirmations

None of our Promoters are a promoter, director or person in control of any other company which is prohibited from accessing or operating in capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

Neither our Promoters nor any of the members of our Promoter Group have been declared as Wilful Defaulters or Fraudulent Borrowers, as defined in the SEBI ICDR Regulations.

Promoter Group

In addition to our Promoter, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

(a) Natural Persons forming part of the Promoter Group:

Name of the Promoter	Name of the Relative	Relationship
Hemant Tukaram Mondkar	Surekha Hemant Mondkar	Spouse
	Jayant Mondkar	Brother
	Ashwin Hemant Mondkar	Son
	Darshan Mondkar	Son
Surekha Hemant Mondkar	Hemant Tukaram Mondkar	Spouse
	Ashwin Hemant Mondkar	Son
	Darshan Mondkar	Son
	Jayant Mondkar	Spouse's Brother
Ashwin Hemant Mondkar	Shilpa Mondkar	Spouse
	Hemant Tukaram Mondkar	Father
	Surekha Hemant Mondkar	Mother
	Darshan Mondkar	Brother
	Aliya Mondkar	Daughter
	Jeev Mondkar	Son
	Vijaykumar Patkar	Spouse's Father
	Vaishali Patkar	Spouse's Mother
	Sachin Patkar	Spouse's Brother

(b) Entities forming part of the Promoter Group

The entities forming part of our Promoter Group are as follows:

- 1) Fasto Engineering Private Limited
- 2) Hy-Tech Fluid Power Private Limited
- 3) Hy-Tech USA Inc.
- 4) NR HyTech Engineers Private Limited
- 5) H.T. Mondkar Family Trust

Other than as disclosed above, there are no other entities that form part of our Promoter Group.

Outstanding Litigation

For details of legal and regulatory proceedings involving our Promoters, see “*Outstanding Litigation and Material Developments*” beginning on page 325 of this Draft Red Herring Prospectus.

Other Confirmations

There is no conflict of interest between the lessors of immovable properties of our Company (which are crucial for the operations of our Company) and our Promoters and members of our Promoter Group.

There is no conflict of interest between suppliers of raw materials or any third-party service providers of our Company (which are crucial for the operations of our Company) and our Promoters and members of our Promoter Group.

GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of ‘group companies’, our Company has considered (i) such companies (other than subsidiaries) with which our Company had related party transactions as described under Ind AS 24, during any of the financial periods included in this Draft Red Herring Prospectus; and (ii) such companies that are a part of the promoter group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and with which there were transactions in the most recent financial year or the relevant stub period which individually or in the aggregate, exceed 10% of the revenue from operations of the Company for the most recent financial year or relevant stub period, as per the Restated Consolidated Financial Information.

In respect of item (i) above, all such companies with which our Company had related party transactions during the period covered in the Restated Consolidated Financial Information included in the Offer Documents, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

Further, pursuant to the Materiality Policy adopted by way of a resolution dated July 22, 2025 passed by our Board, other than the company categorized under (i) above, a company shall be considered “material” and will be disclosed as a “group company” if such company forms part of the Promoter Group and with which there were transactions in the most recent fiscal year or the relevant stub period, which individually or in the aggregate, exceed 10% of the revenue from operations of our Company for the most recent financial year or the relevant stub period, as per the Restated Consolidated Financial Information.

Based on the above criteria laid out by the SEBI ICDR Regulations and our Materiality Policy, our Board has determined the following as our Group Companies:

Sr. No.	Name of Group Company	Registered Address
1.	Hy-Tech USA Inc.	2551 Bellwood Rd, Richmond, VA 23237.
2.	Hy-Tech Fluid Power Private Limited	704, B/6-Saptshri Green Acres, Ghodbunder Road, Wagbil, Sandozbaug, Thane-400607, Maharashtra.
3.	NR Hytech Engineers Private Limited	Plot No A/319, Road No. 22, Wagle Industrial Estate, Thane-400604, Maharashtra.

In accordance with the SEBI ICDR Regulations, certain financial information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, for the preceding three years, based on their respective audited financial statements, shall be hosted on the websites, as indicated below:

Sr. No.	Name of Group Company	Website
1.	Hy-Tech USA Inc.	www.hy-techengineers.com
2.	Hy-Tech Fluid Power Private Limited	www.hy-techengineers.com
3.	NR Hytech Engineers Private Limited	www.hy-techengineers.com

The financial information of the Group Companies and other information provided on the website does not constitute a part of this Draft Red Herring Prospectus. It is clarified that such details available in relation the above-mentioned companies on the respective website do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

Litigation which has a material impact on our Company

There are no pending litigations involving our Group Companies which have or will have a material impact on our Company.

Common Pursuits of Group Companies

Except for Hy-Tech USA Inc. which is engaged in distribution of hydraulic fittings as authorized under its charter documents, which is similar to the business of our Company, there are no common pursuits between our Group Companies and our Company.

Our Company will adopt the necessary procedures and practices, as required under applicable law, to address any situation of conflict of interest, if and when they arise. Also see “*Risk Factor 40 – Our Promoter Group member, Hy-Tech USA Inc. is engaged in a line of business similar to ours. Any conflict of interest which may occur as a result could adversely affect our business, prospects, results of operations and financial condition.*” on page 58.

Related business transactions within our Group Companies and significance on the financial performance of our Company

Other than the transactions disclosed in “*Restated Consolidated Financial Information – Note 47 - Related Party Disclosures*” on page 281, there are no other related business transactions with our Group Companies.

Nature and extent of interest of our Group Companies

In the promotion of our Company

Our Group Companies do not have any interest in the promotion of our Company.

In the properties acquired by us in the preceding three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company.

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery, etc.

None of our Group Companies are interested, directly or indirectly, in any transactions by our Company for acquisition of land, construction of building, supply of machinery.

Business Interest in our Company

Except in the ordinary course of business and as disclosed in “*Restated Consolidated Financial Information – Note 47 – Related Party Transaction*” on page 281, none of our Group Companies have any business interest in our Company.

Other Confirmations

Our Group Company is not listed on any stock exchange. Further, our Group Company has 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.

There is no conflict of interest between the suppliers of raw materials and third-party services providers (which are crucial for the operations of our Company) and our Group Company and their directors.

There is no conflict of interest between the lessors of any immovable properties of our Company (which are crucial for the operations of our Company) and our Group Company and their directors.

DIVIDEND POLICY

The declaration and payment of dividends on the Equity Shares, if any, will be recommended by the Board and approved by the Shareholders at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Further, the Board shall also have the absolute power to declare interim dividend in compliance with the Act. The dividend policy of our Company was adopted and approved by our Board in their meeting held on February 13, 2025 (“Dividend Policy”).

The declaration of dividend, if any, in the future will depend on a number of factors that the Board deems relevant, including but not limited to our Company’s profits, future expansion plans and capital requirements, cash flows, cost of raising funds from alternative sources, earning outlook for next three to five years, long term investment proposed, crystallization of contingent liabilities, current and projected cash balance. Our past practice with respect to the declaration of dividends is not necessarily indicative of our Company’s dividend policy or dividend amounts, if any, in the future.

See “Risk Factor 52 – Our ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.” on page 63.

Except as disclosed below, our Company has not declared and paid any dividends on the Equity Shares for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023:

Particulars	April 01, 2025 up to the date of the DRHP	For Fiscal		
		2025	2024	2023
Face value of equity shares (₹) ⁽¹⁾	5	5	10	10
Dividend amount (₹ million) ⁽²⁾	-	-(4)	5.59	5.59
Total number of issued equity shares	83,531,840	83,531,840	372,910	372,910
Total dividend per Equity Share (₹) ⁽²⁾	-	0.25	15	15
Rate of dividend on Equity Share (%)	-	5%	150%	150%
Dividend distribution tax (₹million) ⁽³⁾	-	NA	NA	NA
Mode of payment	-	Bank transfer	Bank transfer	Bank transfer

* As certified by G. M. Kapadia & Co., Chartered Accountants, pursuant to their certificate dated September 4, 2025

⁽¹⁾ Pursuant to our board resolution dated February 05, 2025, and shareholders’ resolution dated February 06, 2025, equity shares of face value of ₹10 each of our Company were sub-divided into equity shares of face value of ₹5 each. Consequently, the issued and subscribed share capital of our Company comprising 372,910 equity shares of face value of ₹10 each was sub-divided into 745,820 equity shares of face value of ₹5 each.

⁽²⁾ Excluding dividend distribution tax

⁽³⁾ Provision of section 115-O being payment of Dividend Distribution Tax on declaration, distribution or payment of Dividend by the Companies has been abolished as per the Finance Act, 2020, w.e.f. April 01, 2020 i.e. assessment year 2021-22.

⁽⁴⁾ However, in the Board meeting of Directors held on July 22, 2025, a dividend of ₹ 0.25 per equity share was proposed, subject to approval at the Annual General Meeting of the Company.

SECTION V – FINANCIAL INFORMATION

RESTATED CONSOLIDATED FINANCIAL INFORMATION

To,
The Board of Directors
Hy-Tech Engineers Limited
Plot No. A-160, Main Road
Wagle Industrial Estate,
Thane-400604, India

Dear Sirs and Madam,

1. We have examined the attached Restated Consolidated Financial Information of Hy-Tech Engineers Limited (the “Company” or the “Issuer”) and its subsidiaries (the Company and its subsidiaries together referred to as the “Group”), comprising:
 - a) the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024, and March 31 2023;
 - b) the Restated Consolidated Statements of Profit and Loss (including Other Comprehensive loss) for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023;
 - c) the Restated Consolidated Statement of Changes in Equity for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023;
 - d) the Restated Consolidated Cash Flow Statement for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023;
 - e) the Summary Statement of Material Accounting Policies, and other explanatory information for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023;
 - f) the Statement of Adjustments to the Audited Consolidated Financial Statements for the financial years ended and as at March 31, 2025, March 31, 2024 and March 31, 2023.

(collectively, the “*Restated Consolidated Financial Information*”), prepared by the Management of the Company in connection with its proposed Initial Public Offer of equity shares and the offer for sale by existing shareholders (the “Offer”) prepared in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended from (the “Act”);
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “ICDR Regulations”); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the “ICAI”), (the “Guidance Note”).

The said Restated Consolidated Financial Information has been approved by the Board of Directors of the Company at their meeting held on July 22, 2025 for the purpose of its inclusion in the Draft Red Herring Prospectus (“DRHP”).

2. The Board of Directors and the Management of the Company are responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India (“SEBI”), Bombay Stock Exchange Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”), as applicable, (BSE and NSE collectively referred to as the “Stock Exchanges”) and Registrar of Companies, Maharashtra at Mumbai (the “RoC”), as required, in connection with the proposed Offer. The Restated Consolidated Financial Information have been prepared on the basis of preparation stated in Note 2 to the Restated Consolidated Financial Information. The responsibility of respective Board of Directors of the companies included in the Group includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the

Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, the ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated November 06, 2024 as amended vide addendum to the engagement letter dated June 03, 2025, in connection with the proposed Offer of equity shares of the Company;
 - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidences supporting the Restated Consolidated Financial Information; and
 - d) The requirements of section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed Offer.
4. These Restated Consolidated Financial Information have been compiled by the Management from:
 - a) Audited Consolidated Financial Statements of the Group as at and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 prepared in accordance with Ind AS as prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on July 22, 2025, July 12, 2024, and August 05, 2023 respectively.

The Audited Consolidated Financial Statements of the Group as at and for the financial year ended March 31, 2023, were prepared after consolidating the financial statements / financial information of two subsidiaries based on their respective unaudited financial statements. The Restated Consolidated Financial Information includes adjustments for consolidating financial statements / financial information of two subsidiaries based on their respective audited financial statements as at and for the financial year ended March 31, 2023. Such audited financial statements of two subsidiaries have been approved by their respective Governing bodies on September 16, 2023.
5. For the purpose of our examination, we have relied on: Auditor's report issued by us on the Consolidated Financial Statements of the Group as at and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 respectively as referred to in paragraph 4(a) above on which we issued an unmodified opinion vide our reports dated July 22, 2025, July 12, 2024 and August 05, 2023, respectively; and
6. As indicated in our audit reports dated July 22, 2025, July 12, 2024 and August 05, 2023 relating to Consolidated Financial Statements for the year ended and as at March 31, 2025, March 31, 2024 and March 31, 2023 respectively, referred to above:
 - a) We did not audit the financial statements of the subsidiary whose total assets, total revenues and net cash inflows / (outflows) included in the Consolidated Financial Statements, for the respective periods tabulated below, which have been audited by other auditor, Messers R. G. Muley & Co., Chartered Accountants and whose reports have been furnished to us by the Company's Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditor:

(Rs in millions)

Particulars	As at and for the financial year ended March 31, 2025	As at and for the financial year ended March 31, 2024
Total Assets	0.16	0.29
Total Revenues	0.17	0.88
Net cash inflows/ (outflows)	(0.00)	(0.24)

Our opinion on the consolidated financial statements is not modified in respect of this matters.

- b) We did not audit the financial statements of two subsidiaries whose total assets, total revenues and net cash inflows / (outflows) included in the Consolidated Financial Statements, for the period tabulated below, have been certified by the Management. The financial information of such subsidiaries have been unaudited and furnished to us by the Company's Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the unaudited financial information which is certified by the Management:

<i>(Rs in millions)</i>	
Particulars	As at and for the financial year ended March 31, 2023
Total Assets	0.51
Total Revenues	3.87
Net cash inflows/ (outflows)	(1.30)

Our opinion on the consolidated financial statements is not modified in respect of this matters.

7. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:
- have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial years ended March 31, 2024 and March 31, 2023, as applicable, to reflect the same accounting treatment as per the accounting policies and grouping/ classifications followed as at and for the year ended March 31, 2025;
 - does not contain any qualifications requiring adjustments. Furthermore, the Auditor's report on the Consolidated Financial Statements of the Group as at and for the financial year ended March 31, 2025 and March 31, 2024 included a modified comment stating that the audit trail and preservation of it is not maintained by the Company for the accounting software used at the Nashik Division till June 24, 2024, also the Company has not enabled the feature of the audit trail log and preservation of it at the database layer to log direct transactional changes due to the present design of ERP, which do not require any corrective adjustments in the Restated Consolidated Financial Information and have been disclosed in Part B(b) of Annexure VII of the Restated Consolidated Financial Information; and
 - have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.
8. We have not audited any consolidated financial statements of the Group as of any date or for any period subsequent to March 31, 2025. Accordingly, we express no opinion on the financial position, results of the operations, cash flows and statement of changes in equity of the Group as of any date or for any period subsequent to March 31, 2025.
9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Audited Consolidated Financial Statements mentioned in paragraph 5 above.
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Predecessor Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with SEBI, BSE, NSE and Registrar of Companies, Maharashtra at Mumbai, as required, in connection with the proposed Offer. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for

any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 25039569BMLNGE4836

Place: Mumbai
Date: July 22, 2025

Annexure I - Restated Consolidated Statement of Assets and Liabilities

(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

Particulars	Annexure VI Notes	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
ASSETS				
A Non-Current Assets				
a) Property, Plant and Equipment	4	641.04	557.69	345.97
b) Intangible Assets	5	0.29	1.06	0.57
c) Capital Work in Progress	6	31.49	56.31	59.83
d) Intangible under development	6.1	1.95	-	-
e) Financial Assets				
i) Investments	7	17.23	8.14	7.25
ii) Other Financial Assets	8	25.64	113.83	27.96
f) Deferred Tax Assets (Net)	9	15.09	13.09	12.68
g) Other Non Current Assets	10	6.09	20.30	18.65
(A)		738.83	770.41	472.91
B Current Assets				
a) Inventories	11	267.12	210.19	232.62
b) Financial Assets				
i) Trade Receivables	12	457.21	368.63	425.53
ii) Cash and Cash Equivalents	13	7.28	6.04	8.43
iii) Bank Balances other than (ii) above	14	5.79	48.90	49.85
iv) Loans	15	1.45	1.73	1.01
v) Other Financial Assets	16	176.68	4.83	9.57
b) Other Assets	17	52.11	44.97	37.20
c) Current Income Tax Assets (Net)	18	-	6.68	2.26
(B)		967.64	691.97	766.47
TOTAL (A + B)		1,706.47	1,462.38	1,239.38
EQUITY AND LIABILITIES				
A Equity				
a) Equity Share Capital	19	417.66	3.73	3.73
b) Other Equity	20	594.85	818.43	709.30
Equity attributable to Equity Holders of the Company		1,012.51	822.16	713.03
Total Equity	(A)	1,012.51	822.16	713.03
Liabilities				
B Non-Current Liabilities				
a) Financial Liabilities				
i) Borrowings	21	228.77	205.71	121.43
ii) Other Financial Liabilities	22	13.98	12.80	9.37
b) Provisions	23	12.79	12.23	10.04
(B)		255.54	230.74	140.84
C Current Liabilities				
a) Financial Liabilities				
i) Borrowings	24	206.48	202.67	90.63
ii) Trade Payables	25			
- Amount due to Micro & Small Enterprises		21.42	28.33	49.18
- Amount due to Others		144.55	105.16	165.12
iii) Other Financial Liabilities	26	38.31	35.39	30.43
b) Other Liabilities	27	12.75	24.95	30.65
c) Provisions	28	9.58	9.09	9.31
d) Current Tax Liabilities (Net)	29	5.34	3.89	10.19
(C)		438.42	409.48	385.51
TOTAL (A + B + C)		1,706.47	1,462.38	1,239.38

The above Annexure should be read with the Basis of Preparation and Material Accounting Policies appearing in Annexure V, Notes to Restatement Consolidated Financial Information appearing in Annexure VI and Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VII

As per our examination report of even date

For G. M. Kapadia & Co.

Chartered Accountants

Firm Registration No:104767W

For and on behalf of the Board of Directors of

Hy-Tech Engineers Limited

Atul Shah

Partner

Membership No. : 039569

Hemant T. Mondkar

Chairman & Managing Director

(DIN : 00060995)

Surekha H. Mondkar

Executive Director

(DIN : 00040920)

Sunil Satwani

Chief Financial Officer

Sai Ranadive

Company Secretary

M No. :A67683

Place: Mumbai

Date: July 22, 2025

Place: Thane

Date: July 22, 2025

HY-TECH ENGINEERS LIMITED
CIN: U99999MH1978PLC020853
Annexure II - Restated Consolidated Statement of Profit and Loss

(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

Particulars	Annexure VI Notes	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
A Income				
Revenue from Operations	30	1,613.82	1,377.08	1,333.36
Other Income	31	53.25	34.65	36.08
Total Income (A)		1,667.07	1,411.73	1,369.44
B Expenses				
Cost of Raw Materials and Components Consumed	32	591.77	504.36	475.21
Change in Inventories of Finished Goods and Work in Progress	33	(33.75)	(7.27)	(10.63)
Manufacturing Expenses	34	385.35	343.27	305.02
Employee Benefit Expenses	35	203.23	192.43	164.87
Finance Costs	36	48.12	28.74	46.30
Depreciation and Amortisation Expenses	37	101.07	73.39	61.23
Other Expenses	38	109.36	118.78	85.62
Total Expenses (B)		1,405.14	1,253.70	1,127.62
C Profit Before Tax (A - B) (C)		261.94	158.03	241.82
D Tax Expense :				
- Current tax		67.39	42.06	68.96
- Current Tax Pertaining to Earlier Years	39	0.27	-	-
- Deferred tax charge/ (credit)		(1.91)	0.01	(7.16)
Total Tax Expense (D)		65.75	42.07	61.80
E Profit for the Year (C-D)		196.19	115.96	180.02
F Other Comprehensive Income / (Loss)				
a) (i) Items not to be reclassified subsequently to Statement of Profit and Loss				
- Re-measurement gain/(loss) of defined benefit plan		(0.35)	(1.68)	(0.26)
(ii) Income tax relating to items that will be classified to profit or loss - (Charge)/		0.09	0.42	0.07
Total Other Comprehensive Loss (F)		(0.26)	(1.26)	(0.20)
G Total Comprehensive Income (E+F)		195.93	114.70	179.83
Profit for the year attributable to:				
(i) Owners of the Company		196.19	115.96	180.02
(ii) Non controlling interest		-	-	-
		196.19	115.96	180.02
Other Comprehensive loss for the year attributable to:				
(i) Owners of the Company		(0.26)	(1.26)	(0.20)
(ii) Non controlling interest		-	-	-
		(0.26)	(1.26)	(0.20)
Total Comprehensive Income for the year attributable to:				
(i) Owners of the Company		195.93	114.70	179.83
(ii) Non controlling interest		-	-	-
		195.93	114.70	179.83
Basic and diluted earnings per equity share (in ₹)		2.35	1.39	2.16

The above Annexure should be read with the Basis of Preparation and Material Accounting Policies appearing in Annexure V, Notes to Restatement Consolidated Financial Information appearing in Annexure VI and Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VII

As per our examination report of even date

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No:104767W

**For and on behalf of the Board of Directors of
Hy-Tech Engineers Limited**

Atul Shah
Partner
Membership No. : 039569

Hemant T. Mondkar
Chairman & Managing Director
(DIN : 00060995)

Surekha H. Mondkar
Executive Director
(DIN : 00040920)

Place: Mumbai
Date: July 22, 2025

Sunil Satwani
Chief Financial Officer
Place: Thane
Date: July 22, 2025

Sai Ranadive
Company Secretary
M No. :A67683

Annexure III - Restated Consolidated Statement of Changes in Equity

(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

Equity Share Capital	No. of Shares	Amount
Balance as at April 01, 2024	3,72,910	3.73
Changes in equity share capital during the year	8,31,58,930	413.93
Balance as at March 31, 2025	8,35,31,840	417.66
Balance as at April 01, 2023	3,72,910	3.73
Changes in equity share capital during the year	-	-
Balance as at March 31, 2024	3,72,910	3.73
Balance as at April 01, 2022	3,72,910	3.73
Changes in equity share capital during the year	-	-
Balance as at March 31, 2023	3,72,910	3.73

Refer note 19 for further details

Particulars	Reserves and Surplus					OCI	Total Other Equity
	Capital Redemption Reserve	Securities Premium	Capital Reserve on Consolidation	General Reserve	Retained Earnings	Remeasurement gain/(loss) of defined benefit plan	
Balance as at April 01, 2024	0.51	30.83	0.50	223.06	564.96	(1.43)	818.43
Profit for the year					196.19		196.19
Transfer to retained earnings pursuant to strike off of erstwhile subsidiary			(0.50)		0.50		-
Bonus shares Issued				(223.06)	(190.87)		(413.93)
Dividend paid @ Rs.15 per share					(5.59)		(5.59)
Other comprehensive loss for the year						(0.26)	(0.26)
Balance as at March 31, 2025	0.51	30.83	-	-	565.19	(1.69)	594.85
Balance as at April 01, 2023	0.51	30.83	0.50	223.06	454.58	(0.17)	709.30
Profit for the year					115.96		115.96
Dividend paid @ Rs.15 per share					(5.59)		(5.59)
Other comprehensive loss for the year						(1.26)	(1.26)
Balance as at March 31, 2024	0.51	30.83	0.50	223.06	564.96	(1.43)	818.43
Balance as at April 01, 2022	0.51	30.83	0.50	223.06	278.28	0.04	533.22
Profit for the year					180.02		180.02
Dividend paid @ Rs.10 per share					(3.73)		(3.73)
Other comprehensive loss for the year						(0.20)	(0.20)
Adjustment in OCI						(0.02)	(0.02)
Balance as at March 31, 2023	0.51	30.83	0.50	223.06	454.58	(0.17)	709.30

The above Annexure should be read with the Basis of Preparation and Material Accounting Policies appearing in Annexure V, Notes to Restatement Consolidated Financial Information appearing in Annexure VI and Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VII.

As per our examination report of even date

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No:104767W

For and on behalf of the Board of Directors of
Hy-Tech Engineers Limited

Atul Shah
Partner
Membership No. : 039569
Place: Mumbai
Date: July 22, 2025

Hemant T. Mondkar
Chairman & Managing Director
(DIN : 00060995)
Place: Thane
Date: July 22, 2025

Surekha H. Mondkar
Executive Director
(DIN : 00040920)

Sunil Satwani
Chief Financial Officer

Sai Ranadive
Company Secretary
M No. : A67683

HY-TECH ENGINEERS LIMITED
CIN: U99999MH1978PLC020853
Annexure IV - Restated Consolidated Statement of Cash Flows

(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

Particulars	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES			
Profit Before Tax	261.94	158.03	241.82
Adjustments for:			
Finance Cost	48.12	28.74	46.30
Interest Received	(11.65)	(5.39)	(6.66)
Foreign Exchange Gain (Net)	(2.69)	(1.78)	(3.03)
Depreciation and Amortization	101.07	73.39	61.23
Gain on disposal of Property, Plant and Equipment	(26.88)	(1.85)	(0.75)
Gain on Sale of Investment	-	(2.90)	-
Net (loss)/Gain arising of Financial Assets designated as at FVTPL	0.91	(0.88)	(6.74)
Dividend Income	(0.08)	(0.14)	(0.09)
(Reversal)/Impairment of Investment	-	(4.10)	0.10
Balances Written off	-	3.93	1.09
Provision /(Reversal) for Warranty Claim	0.24	(0.01)	1.33
Provision for Gratuity	4.53	3.50	2.98
Provision for Compensated absence	0.61	1.82	1.30
Provision for Bonus	7.00	6.79	6.62
Bad Debts	0.15	16.03	-
Investment Written Off	-	4.00	-
Provision/(Reversal) for Doubtful Debts/Expected Credit Loss	3.67	(9.28)	6.12
Operating Profit Before Working Capital Changes	386.94	269.90	351.62
Changes in Working Capital			
Trade and Other Receivables	(89.74)	51.89	(29.40)
Loans and Advances	0.28	(0.71)	(0.47)
Inventories	(56.93)	22.22	(0.71)
Other Financial Assets	(20.65)	1.52	4.78
Other Assets	(11.05)	(11.41)	26.51
Other Financial Liabilities	(1.21)	7.24	(0.89)
Other Liabilities	(3.63)	(8.50)	10.50
Provisions	(6.79)	(11.79)	(10.09)
Trade and Other Payables	32.48	(80.81)	36.27
Net Cash Generated from Operations	229.69	239.55	388.12
Direct Taxes Paid (Net of Refund)	(59.53)	(52.78)	(77.99)
Net Cash Generated from Operating Activities...(A)	170.16	186.77	310.13
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for Property, Plant and Equipment & Intangible Assets	(154.11)	(286.39)	(135.42)
Proceed from Sale of Property, Plant and Equipment & Intangible Assets	38.32	4.40	21.24
Purchase/(Redemption) of Investment	(10.00)	3.00	-
Interest Income	1.17	5.38	6.66
Dividend Income	0.08	0.14	0.09
Fixed Deposits (Placed) / Matured during the year (Net)	(9.42)	(81.71)	50.11
Net Cash Used in Investing Activities... (B)	(133.96)	(355.18)	(57.32)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Long Term Borrowings	56.56	116.57	66.37
Repayment of Long Term Borrowings	(31.91)	(50.25)	(144.40)
Short Term Borrowing (Net)	1.80	130.01	(130.46)
Finance Cost	(55.83)	(24.72)	(42.27)
Dividend Paid	(5.59)	(5.59)	(3.73)
Net Cash Generated from / (Used in) Financing Activities... (C)	(34.97)	166.02	(254.49)
Net Increase /(Decrease) in Cash and Cash Equivalents (A+ B+C)	1.24	(2.39)	(1.67)

HY-TECH ENGINEERS LIMITED

CIN: U99999MH1978PLC020853

Annexure IV - Restated Consolidated Statement of Cash Flows

(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

Particulars	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Cash and Cash Equivalents at Beginning of the Year	6.04	8.43	10.10
Cash and Cash Equivalents At End Of The Year	7.28	6.04	8.43
Net Increase/(Decrease) in Cash and Cash Equivalents	1.24	(2.39)	(1.67)

Notes:

1. Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7, "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

2. Reconciliation of liabilities arising from Financial Activities

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Borrowings at the beginning of the Year	408.38	212.06	420.54
Movement due to Net Cash flow transaction	26.45	196.21	-204.76
Movement due to non-cash transactions	0.42	0.11	-3.72
Borrowings at the end of the Year	435.25	408.38	212.06

The above Annexure should be read with the Basis of Preparation and Material Accounting Policies appearing in Annexure V, notes to Restatement Consolidated Financial Information appearing in Annexure VI and Statement of Restated Adjustments to the Audited Consolidated Financial Statements appearing in Annexure VII

As per our examination report of even date attached

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. : 104767W

For and on behalf of the Board of Directors of
Hy-Tech Engineers Limited

Atul Shah
(Partner)
Membership No. : 039569

Hemant T. Mondkar
Chairman & Managing Director
(DIN : 00060995)

Surekha H. Mondkar
Executive Director
(DIN : 00040920)

Sunil Satwani
Chief Financial Officer

Sai Ranadive
Company Secretary
M No. : A67683

Place: Mumbai
Date: July 22, 2025

Place: Thane
Date: July 22, 2025

1. Company's Information

HY-Tech Engineers Limited ("the Company") is a public limited company domiciled and incorporated in India under the Companies Act, 2013 vide CIN No. U99999MH1978PLC020853 and incorporated on December 18, 1978. The Company is a public limited company with effect from March 23, 2022. The registered office of the Company is located at Plot No A-160, Main Road, Wagle Industrial Estate, Thane West 400 604, India. The Company is engaged in the manufacturing and selling of Hydraulic fittings for auto and industrial sector. The Company caters to both domestic and international markets.

The Restated Consolidated Financial Information comprise of Financial Statements of Hy-Tech Engineers Limited and its subsidiaries (collectively, "the Group") for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 and are approved by the Company's Board of Directors at its meeting held on July 22, 2025.

Following Companies have been considered in the preparation of the Restated consolidated financial information:

Name of the entity	Country	Effective date of control	% of holding as on		
			March 31, 2025	March 31, 2024	March 31, 2023
Subsidiaries:					
HY Tech ACR Private Limited	India	February 06, 2019	100	100	100
Earth mac Hy Tech Private Limited ¹	India	November 16, 2016	-	-	100

¹Upto March 31, 2023

2. Basis of Preparation and Consolidation.

2.1 Statement of Compliance and basis of preparation.

The Restated Consolidated financial Information of the Group comprises the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024 and March 31, 2023 the Restated Consolidated Statement of Profit and Loss (including other comprehensive loss), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, the Statement of Material Accounting Policies, and other explanatory information, as approved by the board of directors of the Holding Company as their meeting held on July 22, 2025 and have been specifically prepared by the Management of the Holding Company for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared in connection with the proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirement of :

- Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act")
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"),

The Restated Consolidated Financial Information have been compiled by the management of the Company from: -

- Audited Consolidated financial statements of the Company as at and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as

prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on July 22, 2025, July 12, 2024, and August 05, 2023 respectively. Further,

- There were no changes in accounting policies during the year of these Financial Statements (Refer Annexure VII - "Statement of Restated Adjustments to Audited Consolidated Financial Information")
- There were no material amounts which have been adjusted for, in arriving at profit / loss of the respective year; and
- There were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Consolidated Financial Statements of the Group as at and for the year ended March 31, 2025 and the requirements of the SEBI Regulations.
- Refer Part A of Annexure VII – Statement of Restated Adjustments to the Audited Consolidated Financial Information in respect of other restatements carried out in preparation of these Restated Consolidated Financial Information of the Group as at and for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023.

The Restated Consolidated Financial Information of the Group for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 were approved for issue in accordance with the resolution of the Board of Directors on July 22, 2025.

These Restated Consolidated Financial Information are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

These Restated Consolidated Financial Information are prepared in accordance with Ind AS under the historical cost conversion on the accrual basis, except for the following which have been measured at fair value

- (i) certain financial assets and liabilities (including derivative instruments) which are measured at fair value and
- (ii) defined benefit plans - measured at fair value

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.2 Basis of consolidation

The Group consolidates the companies which it owns or controls. The Restated Consolidated financial information comprises the financial statements of the Company, its subsidiaries, as detailed in note 1 above. Control exists when the parent has the power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affects the entity's returns. Subsidiary is consolidated from the date of control commences until the date control ceases.

The restated consolidated financial information of Group Companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/ loss from such transactions are eliminated upon consolidation. This restated consolidated financial information is prepared by applying uniform accounting policies in use at the Group.

The restated consolidated financial information of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., financial years ended March 31, 2025, March 31, 2024 and March 31, 2023.

3. Material Accounting Policies

3.1. Current and non-current classification

The Group classifies its assets and liabilities in the Restated Consolidated Statement of Assets and Liabilities as current or non-current based on their nature. An asset is treated as current if it meets any of the following criteria:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current if it:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other assets and liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

3.2. Functional and presentation of currency

The Restated Consolidated Financial Information are presented in Indian Rupees (₹), which is the Group's functional and presentation currency. All amounts have been rounded to the nearest millions with two decimals, unless otherwise indicated.

3.3. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted price in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability.

Level 3: Unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the Restated Consolidated Statement of Asset and Liabilities at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purpose using methods as prescribed in "Ind AS 113 Fair Value Measurement".

3.4. Use of estimates, assumptions and judgements

The preparation of these Restated Consolidated Financial Information is in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions in application of accounting policies that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of Restated Consolidated Financial Information and reported amounts of income and expenses for the periods presented. The Group based its assumptions and estimates on parameters available when the Restated Consolidated Financial Information were prepared. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Significant estimates and critical judgement in applying these accounting policies are described below:

3.4.1. Significant estimates

- i) Impairment of non-financial assets (tangible and intangible)

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or Cash Generating Unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining the fair value less costs to disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

ii) Defined benefit obligations

The cost of the defined benefit gratuity plan, other defined benefit plan and other post-employment plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, expected returns on plan assets and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, discount rate and return on planned assets are based on expected future inflation rates for India

iii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of asset and liabilities cannot be measured based on quoted price in active markets since they are unquoted, their value is measured using valuation technique including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

iv) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Further, the Group also evaluates risk with respect to expected loss on account of loss in time value of money which is calculated using average cost of capital for relevant financial assets.

v) Income tax and deferred tax

Deferred tax assets are not recognised for unused tax losses as it is not probable that taxable profit will be available against which the losses can be utilised. Significant management judgement/estimate is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

vi) Provision for Inventories

Management reviews the inventory listing on a periodic basis. This review involves comparison of carrying value of aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the restated consolidated financial information for any obsolete slow-moving items and net realisable value. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

3.5. Property, Plant and Equipment and Depreciation

Recognition and measurement

Property, plant and equipment are stated at their cost of acquisition. Cost of an item of property, plant and equipment includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset.

Parts (major components) of an item of property, plant and equipment's having different useful lives are accounted as separate items of property, plant and equipment's.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance sheet. Advance paid towards the acquisition of PPE outstanding at each reporting date is classified as Capital Advances under "Other Non-Current Assets" and assets which are not ready for intended use as on the date of Financial Statement are disclosed as "Capital Work in Progress".

Depreciation and useful lives

Depreciation on the property, plant and equipment (other than capital work in progress) is provided on a written down value method (WDV) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013 or useful lives as determined based on internal technical evaluation. Depreciation for certain identified is computed on based on useful lives, determined based on internal technical evaluation as follows:

Type of asset	Useful lives estimated by the management (years)
Buildings	30 Years
Plant & Machinery	15 Years

Office equipment	3 – 6 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognised.

3.6. Leases

As per Ind AS 116 “Leases”, the determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. A lessee does not have the right to use an identified asset if, at inception of the contract, a lessor has a substantive right to substitute the asset throughout the period of use.

The Group accounts for the lease arrangement as follows, where the Group entity is the lessee:

The Group applies single recognition and measurement approach for all leases, except for short term leases and leases of low value assets. On the commencement of the lease, the Group, in its statement of asset and liabilities, recognize the right of use asset at cost and lease liability at present value of the lease payments to be made over the lease term.

Subsequently, the right of use asset is measured at cost less accumulated depreciation [calculated on straight line method] and any accumulated impairment loss. Lease liability are measured at amortized cost using the effective interest method. The lease payment made, are apportioned between the finance charge and the reduction of lease liability, and are recognised as expense in the Statement of Profit and Loss.

Lease deposits given are a financial asset and are measured at amortized cost under Ind AS 109 since it satisfies Solely Payment of Principal and Interest (SPPI) condition. The difference between the present value and the nominal value of deposit is considered as prepaid rent and recognised over the lease term. Unwinding of discount is treated as finance income and recognised in the Statement of Profit and Loss.

3.7. Intangible assets and amortisation

Recognition and measurement

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the Group and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortization and accumulated impairment loss if any.

Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.

Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

Amortization and useful lives

Computer software's are amortized in 3 years on Written Down Value (WDV). Amortization methods and useful lives are reviewed at each period and financial year end and adjusted prospectively.

In case of assets purchased during the year, amortization on such assets is calculated on pro-rata basis from the date of such addition.

3.8. Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal /external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of a) fair value of assets less cost of disposal and b) its value in use. Value in use is the present value of future cash flows expected to derive from an assets or Cash-Generating Unit (CGU).

Based on the assessment done at each balance sheet date, recognized impairment loss is further provided or reversed depending on changes in circumstances. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognized are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation / amortization had no impairment loss been recognized in earlier years.

3.9. Inventories

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs are determined on weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of work-in-progress and finished goods are determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.10. Revenue recognition

The Group recognizes revenue from contracts with the customers based on five step model defined in Ind AS 115. The Group satisfies a performance obligation and recognizes revenue over time, if any of the conditions given in Ind AS 115 satisfies; else revenue is recognized at point in time at which the performance obligation is satisfied.

Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenues are recognized to the extent it is probable that the economic benefits will flow to the Group and the revenue & costs, if applicable, can be measured reliably.

(a) Performance Obligation

The Group derives its revenue from selling products in the form of Steel Fittings.

The Group is required to assess each of its contracts with customers to determine whether performance obligation is satisfied over time or at a point in time in order to determine the appropriate method for recognizing of revenue. The Group has assessed that based on the contracts entered into with the customers and the provisions of relevant laws and regulations, the Group recognizes the revenue over time only if it satisfies the criteria given in IND AS 115. Where the criteria as per IND AS 115 are not met, revenue is recognized at a point in time.

The Group satisfies its performance obligation when the control over the goods is transferred to the customer or benefits of the services being provided is received and consumed by the customer.

In cases where the Group determines that performance obligation is satisfied at a point in time, revenue is recognized when the control over the goods is transferred to the customer or benefits of the services being provided is received and consumed by the customer. The Group considers that the customer has obtained the control of promised goods or services; when the goods have been dispatched/delivered to the destination as per terms of the contract or services has been provided and consumed by the customer as per agreed terms and the Group has unconditional right to consideration.

(b) Transaction Price

The Group is required to determine the transaction price in respect of each of its contracts with customers.

Contract with customers for sale of goods or services are on a fixed price.

For allocating the transaction price, the Group measured the revenue in respect of each performance obligation of contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In making judgment about the standalone selling price, the Group also assesses the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

(c) Discounts, Rebates & Incentive to Customers

The Group accounts for volume discounts, rebates and pricing incentives to customer as a reduction of revenue based on the ratable allocation of the discounts / rebates to each of the underlying performance obligation that corresponds to the progress made by the customer towards earning that discounts, rebates or incentive. The Group also recognizes the liability based on the past performance of the customers fulfilling the criteria to get the discounts, rebates or incentive and the future

outflow of the same is probable. If it is probable that the criteria for the discounts will not be met or if the amounts thereof cannot be estimated reliably, then the discount is not recognised until the payment is probable and the amount can be estimated reliably. The Group accounts for discounts, rebates and pricing incentives in the year of payment where customer qualifies for the same and wherein provision was not made due to Group's inability to make reliable estimates based on the available data at reporting date.

(d) Export incentives

Income from export incentives is accounted for on export of goods if the entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

(e) Tooling income

Revenue from tooling income is recognized at the point in time when the control of the die is transferred, which is generally on receipt of customer's approval (referred to as production parts approval process or PPAP) as per the terms of the contract.

(f) Sale of services

Revenue from sale of services is in nature of job work on customer product which normally takes 1 – 4 days for completion and accordingly, revenue is recognized when products are sent to customer on which job work is completed. The normal credit period is 60 days.

Trade Receivables

A receivable represents the group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

3.11. Recognition of Dividend Income and Interest Income

(a) Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

(b) Dividends

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend

(c) Other income

Other incomes are accounted on accrual basis, except interest on delayed payment by debtors and liquidated damages which are accounted on acceptance of the Group's claim.

3.12. Government Grants and Subsidies

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Group recognizes as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in Statement of Profit and Loss in the period in which they become receivable.

Government Grant relating to asset is reduced from the carrying value of the relevant assets. Such grant is then gets recognized in the Statement of Profit and Loss over the useful life of the depreciable asset by way of a reduced depreciation charge.

Government grants in the nature of export incentives are accounted for in the period of export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

3.13. Foreign currency transaction

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary items are translated at closing exchange rate. Exchange difference arising on settlement or translation of foreign currency monetary items are recognised as income or expense in the year in which they arise.

Foreign currency non-monetary items which are carried at historical cost are reported using the exchange rate at the date of transactions.

3.14. Employee benefits

- Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized as an expense at the undiscounted amount in the Restated Consolidated Statement of Profit and Loss of the year in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

- Post-employment benefits & other long-term benefits

a. Defined contribution plan

The defined contribution plan is a post-employment benefit plan under which the Group contributes fixed contribution to a Government Administered Fund and will have no obligation to pay further contribution. The Group's defined contribution plan comprises of Provident Fund, Labor Welfare Fund Employee State Insurance Scheme, National Pension Scheme, and Employee Pension Scheme. The Group's contribution to defined contribution plans are recognized in the Restated Consolidated Statement of Profit and Loss in the period in which the employee renders the related service.

b. Defined benefit plans

The Group has defined benefit plans comprising of gratuity and other long-term benefits in the form of leave benefits. The Group's obligation towards gratuity liability is unfunded. The present value of the defined benefit obligations and other long term employee benefits is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

For gratuity plan, re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the post-employment benefits liability) are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Gains or losses on the curtailment or settlement of defined benefit plan are recognized when the curtailment or settlement occurs.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions for employee benefit plan [other than gratuity] are recognized immediately in the Restated Consolidated Statement of Profit and Loss as income or expense.

- Compensated absences

A liability is recognised for benefits accruing to employees in respect of privilege leave in the period the related service is rendered at the amount benefits expected to be paid in exchange for that service.

3.15. Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Ancillary cost of borrowings in respect of loans not disbursed are carried forward and accounted as borrowing cost in the year of disbursement of loan. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

3.16. Taxes on income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e., in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year and any adjustments to the tax payable or receivable in respect of previous years as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis or simultaneously.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Group has unused tax losses and unused tax credits, deferred tax assets are recognised only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

At each reporting date, the Group re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit allows deferred tax assets to be recovered.

3.17. Cash & cash equivalent

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

3.18. Statement of cash flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

3.19. Provisions, contingent liabilities, contingent assets

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

A contingent asset is not recognised but disclosed in the Restated Consolidated Ind AS Financial Information where an inflow of economic benefit is probable.

Our capital commitments were comprised primarily of commitment given/ purchase orders issued for purchase of property, plant and equipment (net of advance given and material already supplied).

3.20. Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also include fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.21. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

3.22. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Since, trade receivables do not contain significant financing component they are measured at transaction price.

3.22.1. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the ‘Reserve for equity instruments through other comprehensive income’. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee. Dividends on these investments in equity instruments are recognised in profit or loss when the Group’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the ‘Other income’ line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model based on 'simplified approach' for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit and loss.

For Trade Receivables, the Group uses the simplified approach permitted by Ind AS 109 Financial Instruments which requires expected life time losses to be recognized from initial recognition of receivables.

De-recognition of financial asset

The Group de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g., when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.22.2. Financial liability and equity instrument

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Compound financial instruments

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value

of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts. Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Reclassification

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in profit or loss.

3.23. Dividend Payable

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Holding Company's Board of Directors

3.24. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

As at March 31, 2025, MCA has not notified any new Standard or amended any existing standard which are applicable to the Company.

4 Property, Plant and Equipment

Particular	Freehold Building	Leasehold Land & Building	Freehold Land	Electrical Installation	Plant and Machinery	Dies	Furniture & Fixture	Office Equipment	Computer	Vehicles	Total
Gross carrying Amount											
As at April 01, 2024	38.14	180.29	29.44	36.62	403.93	17.22	15.71	7.29	6.01	15.61	750.26
Additions	-	9.92	-	0.96	177.84	3.56	2.71	0.55	0.80	1.12	197.46
Disposal / Adjustment	-	(0.81)	(4.06)	-	(22.03)	-	(0.66)	-	(0.03)	(3.85)	(31.44)
As at March 31, 2025	38.14	189.40	25.38	37.58	559.74	20.78	17.76	7.84	6.78	12.88	916.28
Depreciation and Impairment											
As at April 01, 2024	10.81	22.28	-	13.27	120.67	8.00	5.50	4.55	4.30	3.19	192.57
Depreciation charge for the period	2.81	15.82	-	6.05	63.34	2.83	3.05	1.20	1.30	3.63	100.03
Disposal / Adjustment	-	(0.67)	-	-	(13.18)	-	(0.50)	-	(0.03)	(2.98)	(17.36)
As at March 31, 2025	13.62	37.43	-	19.32	170.83	10.83	8.05	5.75	5.57	3.84	275.24
Net carrying amount as at March 31, 2025	24.52	151.97	25.38	18.26	388.91	9.95	9.71	2.09	1.21	9.04	641.04
Gross carrying Amount											
As at April 01, 2023	34.61	47.17	29.44	17.30	307.14	14.72	9.03	6.05	3.96	17.94	487.36
Additions	3.53	133.12	-	19.32	121.28	2.50	6.70	1.24	2.05	5.69	295.43
Disposal / Adjustment	-	-	-	-	(24.49)	-	(0.02)	-	-	(8.02)	(32.53)
As at March 31, 2024	38.14	180.29	29.44	36.62	403.93	17.22	15.71	7.29	6.01	15.61	750.26
Depreciation and Impairment											
As at April 01, 2023	7.51	14.05	-	9.24	87.55	5.86	3.81	3.42	3.08	6.87	141.39
Depreciation charge for the year	3.30	8.23	-	4.03	47.25	2.14	1.71	1.13	1.22	3.63	72.64
Disposal / Adjustment	-	-	-	-	(14.13)	-	(0.02)	-	-	(7.31)	(21.46)
As at March 31, 2024	10.81	22.28	-	13.27	120.67	8.00	5.50	4.55	4.30	3.19	192.57
Net carrying amount as at March 31, 2024	27.33	158.01	29.44	23.35	283.26	9.22	10.21	2.74	1.71	12.42	557.69
Gross carrying Amount											
As at April 01, 2022	25.13	46.36	29.44	15.63	251.98	12.50	7.17	5.33	3.23	16.70	413.59
Foreign Currency Translation Reserve	-	-	-	-	-	-	-	-	0.02	-	0.02
Additions	9.48	0.81	-	1.67	59.04	2.22	1.86	0.76	0.71	1.80	78.35
Disposal / Adjustment	-	-	-	-	(3.88)	-	-	(0.04)	-	(0.56)	(4.48)
As at March 31, 2023	34.61	47.17	29.44	17.30	307.14	14.72	9.03	6.05	3.96	17.94	487.48
Depreciation and Impairment											
As at April 01, 2022	5.38	10.24	-	6.75	53.13	4.12	2.45	2.14	2.13	2.91	89.37
Depreciation charge for the year	2.13	3.81	-	2.49	41.01	1.74	1.36	1.32	0.95	4.47	59.28
Disposal / Adjustment	-	-	-	-	(6.59)	-	-	(0.04)	-	(0.51)	(7.14)
As at March 31, 2023	7.51	14.05	-	9.24	87.55	5.86	3.81	3.42	3.08	6.87	141.51
Net carrying amount as at March 31, 2023	27.10	33.12	29.44	8.06	219.59	8.86	5.22	2.63	0.88	11.07	345.97

Annexure VI - Notes to Consolidated Restated Financial Information

(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

5 Intangible Assets**Particulars****Gross carrying Amount****As at April 01, 2024**

Additions

As at March 31, 2025**Amortization and Impairment****As at April 01, 2024**

Amortization charge for the period

As at March 31, 2025**Net carrying amount as at March 31, 2025****Gross carrying Amount****As at April 01, 2023**

Additions

As at March 31, 2024**Amortization and Impairment****As at April 01, 2023**

Amortization charge for the year

As at March 31, 2024**Net carrying amount as at March 31, 2024****Gross carrying Amount****As at April 01, 2022**

Additions

As at March 31, 2023**Amortization and Impairment****As at April 01, 2022**

Amortization charge for the year

As at March 31, 2023**Net carrying amount as at March 31, 2023**

	Software	Trade Mark	Total
As at April 01, 2024	11.23	0.03	11.26
Additions	0.27	-	0.27
As at March 31, 2025	11.50	0.03	11.53
As at April 01, 2024	10.17	0.03	10.20
Amortization charge for the period	1.04	-	1.04
As at March 31, 2025	11.21	0.03	11.24
Net carrying amount as at March 31, 2025	0.29	-	0.29
As at April 01, 2023	9.99	0.03	10.02
Additions	1.24	-	1.24
As at March 31, 2024	11.23	0.03	11.26
As at April 01, 2023	9.42	0.03	9.45
Amortization charge for the year	0.75	0.00	0.75
As at March 31, 2024	10.17	0.03	10.20
Net carrying amount as at March 31, 2024	1.06	-	1.06
As at April 01, 2022	9.34	0.03	9.37
Additions	0.65	-	0.65
As at March 31, 2023	9.99	0.03	10.02
As at April 01, 2022	7.48	0.01	7.49
Amortization charge for the year	1.94	0.02	1.95
As at March 31, 2023	9.42	0.03	9.45
Net carrying amount as at March 31, 2023	0.57	-	0.57

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(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

6 Capital Work in Progress

Particulars	Building	Plant and Machinery	Electrical Installation	Furniture & Fixtures	Total
As at April 01, 2024	-	56.31	-	-	56.31
Additions	-	103.54	-	0.50	104.04
Capitalized	-	(128.86)	-	-	(128.86)
As at March 31, 2025	-	30.99	-	0.50	31.49
As at April 01, 2023	47.13	12.59	0.11	-	59.83
Additions	-	63.28	-	-	63.28
Capitalized	(47.13)	(19.56)	(0.11)	-	(66.80)
As at March 31, 2024	-	56.31	-	-	56.31
As at April 01, 2022	-	13.74	0.35	-	14.09
Additions	47.13	40.57	0.11	-	87.81
Capitalized	-	(41.72)	(0.35)	-	(42.07)
As at March 31, 2023	47.13	12.59	0.11	-	59.83

6.1 Capital Work in Progress - Intangible assets under development

Particulars	Software	Total
As at April 01, 2024	-	-
Additions	1.95	1.95
Capitalized / Deletion	-	-
As at March 31, 2025	1.95	1.95
As at April 01, 2023	-	-
Additions	-	-
Capitalized / Deletion	-	-
As at March 31, 2024	-	-
As at April 01, 2022	-	-
Additions	-	-
Capitalized / Deletion	-	-
As at March 31, 2023	-	-

6.2 Capital Work-in-Progress Ageing Schedule

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Less than 1 year	27.61	56.31	59.83
1-2 years	5.83	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
Total	33.44	56.31	59.83
Less : Impairment	-	-	-
Net Capital Working in Progress	33.44	56.31	59.83

Note :The above projects are all active and none of them are suspended

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(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

7 Non Current Investments

Investment in equity instruments (fully paid-up) measured at Fair Value through Profit and Loss (FVTPL)**Unquoted****The TJSB Bank Limited**

10200 (March 31, 2024:10,200 ;March 31, 2023:10,200) Equity Share of Rs.50/- each

As at March 31, 2025	As at March 31, 2024	As at March 31, 2023

7.91	8.14	7.25

M/s.Hi-Tech Engg. (Gujrat) Private Limited

NIL (March 31, 2024:Nil ;March 31, 2023:10,000) Equity Share of Rs.10/- each

-	-	0.10

Less: Provision for impairment of investment

-	-	(0.10)

Total Equity instruments

7.91	8.14	7.25

Investment in mutual funds measured at Fair Value through Profit and Loss (FVTPL)

Equity Quoted Mutual Fund

9.32	-	-

Total

17.23	8.14	7.25

Additional disclosures

Aggregate amount of quoted investments

10.00	-	-

Aggregate amount of unquoted investments

7.91	8.14	7.35

Aggregate market value of quoted investments

9.32	-	-

Aggregate amount of impairment in value of investments

-	-	0.10

8 Other Financial Assets

Unsecured, Considered Good unless otherwise stated

Security deposits

17.46	10.56	7.34

Bank deposits with more than 12 months maturity (Refer Note 14.1)

8.18	103.27	20.62

Total

25.64	113.83	27.96

9 Deferred Tax Assets

Deferred tax asset arising on account of:

Property, Plant and Equipment, Intangible Assets

4.14	1.87	0.57

Expenses allowable for tax purpose on payment basis

7.00	8.27	6.91

Other Deductible temporary difference

3.95	2.95	5.20

Total

15.09	13.09	12.68

9.1 Movement of deferred tax assets and liabilities during the year ended:

Particulars	As at April 01, 2024	Recognized in statement and profit and loss	Recognized in other comprehensive income	As at March 31, 2025
<u>Deferred tax asset arising on account of:</u>				
Property, Plant and Equipment, Intangible Assets	1.87	2.27	-	4.14
Expenses allowable for tax purpose on payment basis	8.27	(1.36)	0.09	7.00
Other Deductible temporary difference	2.95	1.00	-	3.95
Sub-Total (A)	13.09	1.91	0.09	15.09
Particulars	As at April 01, 2023	Recognized in statement and profit and loss	Recognized in other comprehensive income	As at March 31, 2024
<u>Deferred tax asset arising on account of:</u>				
Property, Plant and Equipment, Intangible Assets	0.57	1.30	-	1.87
Expenses allowable for tax purpose on payment basis	6.91	0.94	0.42	8.27
Other Deductible temporary difference	5.20	(2.25)	-	2.95
Sub-Total (A)	12.68	(0.01)	0.42	13.09

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Particulars	As at April 01, 2022	Recognized in statement and profit and loss	Recognized in other comprehensive income	As at March 31, 2023
Deferred tax asset/(liability) arising on account of:				
Property, Plant and Equipment, Intangible Assets	(2.00)	2.57	-	0.57
Expenses allowable for tax purpose on payment basis	4.13	2.71	0.07	6.91
Other Deductible temporary difference	3.32	1.88		5.20
Sub-Total (A)	5.45	7.16	0.07	12.68

10 Other Non-Current Assets	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Unsecured, Considered Good unless otherwise stated			
Capital advances			
-Advance to Suppliers	2.18	20.30	18.54
Advance Other than Capital advances			
Prepayment expenses *	3.91	0.00	0.11
Total	6.09	20.30	18.65

*As at March 31, 2024, amount is less than 5,000

11 Inventories	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Raw Material and Components	78.63	55.45	85.14
Work in Progress	98.58	87.95	71.91
Finished Goods	64.78	51.63	66.50
Finished Goods (Goods in Transit)	25.13	15.16	9.07
Total	267.12	210.19	232.62

12 Trade Receivables	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Trade receivables Considered Good Secured	-	-	-
Trade receivables Considered Good Unsecured	470.98	378.73	433.89
Trade receivables which has Significant Increase in Credit Risk	-	-	-
Trade receivables Credit Impaired	0.35	0.35	11.41
Sub-Total	471.33	379.08	445.30
Less: Credit Impaired	(0.35)	(0.35)	(11.41)
Less: Allowance for Expected Credit Loss (ECL)	(13.77)	(10.10)	(8.36)
Total	457.21	368.63	425.53
The above amount includes -			
- Receivables from related parties	21.36	33.34	27.39
- Others	435.85	335.29	398.14
Total	457.21	368.63	425.53

Refer Note 12.1 for Trade Receivable Ageing Schedule

Note 12.1 : Trade Receivables Ageing Schedule

Particulars			As at March 31, 2025						
			Outstanding for following period from due date of Payment						
			Not Due	Less than 6 Months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)	Undisputed Trade receivables – Considered Good	302.12	156.80	3.95	2.87	1.80	3.43	470.98	
(ii)	Undisputed Trade Receivables – which have Significant increase in Credit Risk	-	-	-	-	-	-	-	
(iii)	Undisputed Trade Receivables – Credit Impaired	-	-	-	-	-	0.35	0.35	
(iv)	Disputed Trade Receivables–Considered Good	-	-	-	-	-	-	-	
(v)	Disputed Trade Receivables – which have Significant Increase in Credit Risk	-	-	-	-	-	-	-	
(vi)	Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-	-	
Total		302.12	156.80	3.95	2.87	1.80	3.78	471.33	
Particulars			As at March 31, 2024						
			Outstanding for following period from due date of Payment						
			Not Due	Less than 6 Months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)	Undisputed Trade receivables – Considered Good	193.06	171.76	6.93	2.98	3.94	0.06	378.73	
(ii)	Undisputed Trade Receivables – which have Significant increase in Credit Risk	-	-	-	-	-	-	-	
(iii)	Undisputed Trade Receivables – Credit Impaired	-	-	-	-	-	0.35	0.35	
(iv)	Disputed Trade Receivables–Considered Good	-	-	-	-	-	-	-	
(v)	Disputed Trade Receivables – which have Significant Increase in Credit Risk	-	-	-	-	-	-	-	
(vi)	Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-	-	
Total		193.06	171.76	6.93	2.98	3.94	0.41	379.08	
Particulars			As at March 31, 2023						
			Outstanding for following period from due date of Payment						
			Not Due	Less than 6 Months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)	Undisputed Trade receivables – Considered Good	272.15	137.27	11.64	10.13	2.19	0.78	434.15	
(ii)	Undisputed Trade Receivables – which have Significant increase in Credit Risk	-	-	-	-	-	-	-	
(iii)	Undisputed Trade Receivables – Credit Impaired	-	-	-	-	1.17	9.98	11.15	
(iv)	Disputed Trade Receivables–Considered Good	-	-	-	-	-	-	-	
(v)	Disputed Trade Receivables – which have Significant Increase in Credit Risk	-	-	-	-	-	-	-	
(vi)	Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-	-	
Total		272.15	137.27	11.64	10.13	3.36	10.76	445.30	

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(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
13 Cash and Cash Equivalent			
Balances with bank			
- In current accounts	7.09	5.76	8.10
Cash on hand	0.19	0.28	0.33
Total	7.28	6.04	8.43
14 Bank Balances Other than Cash and Cash Equivalent			
In Fixed Deposits			
a) With original maturity of more than 3 months but less than 12 months	5.79	48.90	49.85
b) With original maturity of more than 12 months	166.29	103.27	20.62
	172.08	152.17	70.47
Less: Disclosed under Other financial assets - non-current (Refer Note. 8 and 16)	(166.29)	(103.27)	(20.62)
Total	5.79	48.90	49.85
14.1 Fixed deposit of 0.16 is given as margin money to the Bank for guarantee given by bank to Government and other authorities on behalf of the Company.			
15 Loans			
Unsecured Considered Good, unless otherwise stated			
Non-Current			
Advance to Vendors	-	2.33	-
Less: Provision on Advances	-	(2.33)	-
Total Non-Current	-	-	-
Current			
Loans & Advances to Employees	1.08	1.73	1.01
Advance for Expenses	0.37	-	-
Total	1.45	1.73	1.01
16 Other Current Financial Assets			
Unsecured Considered Good, unless otherwise stated			
Others			
Government Grants Receivables (Refer Note 16.1)	2.60	4.46	6.31
Bank Deposits with more than 12 Months Maturity (Refer Note 14.1)	158.10		
Claims receivable	15.27		
Interest Receivable-Others	0.71	0.37	0.21
Interest Receivable from Bank	-	-	3.05
Total	176.68	4.83	9.57
16.1 Includes receivable against various schemes of export incentives and Industrial Promotion Subsidy (IPS) under Package Scheme of Incentives (PSI).			
17 Other Current Assets			
Unsecured, Considered Good unless otherwise stated			
Balances with Government authorities	34.50	32.25	23.31
Prepayment expenses	3.87	1.88	2.09
Advance to vendors	13.74	10.84	11.80
Total	52.11	44.97	37.20
18 Current Tax Assets (Net)			
Income Tax (Net of provisions)	-	6.68	2.26
Total	-	6.68	2.26

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(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

19 Equity Share capital

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Authorised share capital			
Equity Shares			
104,000,000 (March 31, 2024:35,000,000, March 31, 2023:35,000,000) Equity Shares of Rs.5/- each*	520.00	350.00	350.00
Total	520.00	350.00	350.00
Issued, subscribed and paid-up share capital			
Equity Shares			
83,531,840 (March 31, 2024:372,910, March 31, 2023:372,910) Equity Shares of Rs.5/- each	417.66	3.73	3.73
Total	417.66	3.73	3.73

*Refer Note 19.5 for further details

19.1 Terms/ Rights attached to Equity Shares.

The Company has only one class of equity shares having a par value of per share of Rs.5/-. They entitle the holder to participate in the dividends, and to share in the proceeds of the winding up the Company in proportion to the number of and amounts paid on the shares held. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.*

*Refer Note 19.5 for further details

19.2 Reconciliation of the number of shares outstanding is set out below:

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Number of shares at the beginning	3,72,910	3.73	3,72,910	3.73	3,72,910	3.73
Add: Sub division of shares	3,72,910	-	-	-	-	-
Add: Bonus Shares issued	8,27,86,020	413.93	-	-	-	-
Number of shares at the end	8,35,31,840	417.66	3,72,910	3.73	3,72,910	3.73

19.3 Details of shareholders holding more than 5 % shares

Particulars	Details	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Mr. Hemant Tukaram Mondkar	Number of Shares	5,69,87,840	2,57,410	2,57,410
	Shareholders %	68.22%	69.03%	69.03%
Mrs. Surekha H Mondkar / Jt. With Hemant T Mondkar	Number of Shares	2,07,37,920	92,580	92,580
	Shareholders %	24.83%	24.83%	24.83%

19.4 Details of Promoter Shareholding in the Company

Name of the Promoter	Details	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Mr. Hemant Tukaram Mondkar	Number of Shares	5,69,87,840	2,57,410	2,57,410
	Shareholders %	68.22%	69.03%	69.03%
	% change during the year	1.17%	-	-
Mrs. Surekha H Mondkar / Jt. With Hemant T Mondkar	Number of Shares	2,07,37,920	92,580	92,580
	Shareholders %	24.83%	24.83%	24.83%
	% change during the year	-	-	-
Mr. Hemant T. Mondkar / Jt. With Surekha H. Mondkar	Number of Shares	-	500	-
	Shareholders %	-	0.13%	-
	% change during the year	100.00%	0.13%	-

19.5 Changes in Equity Share Capital

The Holding Company has increased the authorised share capital from existing 35,000,000 equity shares of Rs 10 each to 104,000,000 equity shares of Rs 5 each, which was approved by the Board of Directors in their meeting held on February 05, 2025 and shareholders in their Extra-ordinary General meeting held on February 06, 2025.

Pursuant to a resolution passed in extraordinary general meeting of the Holding Company dated February 06, 2025, shareholders have approved split of each equity share having face value of Rs. 10 each into equity shares of face value of Rs. 5 each. ("the split").

On February 06, 2025, the Board of Directors of the Holding Company has approved bonus issue in the ratio of 111 equity shares for every 1 existing equity share and the same has been duly approved by the shareholders of the Holding Company.

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20 Other Equity**Securities premium**

Opening Balance

Add: Premium on shares issued during the year

Closing Balance**Capital Redemption Reserve**

Opening Balance

Closing Balance**Capital Reserve on consolidation**

Opening Balance

Less: Transfer to retained earnings pursuant to strike off of erstwhile subsidiary

Closing Balance**General Reserve**

Opening Balance

Less: Utilised for buyback of equity shares

Closing Balance**Retained earnings****Opening Balance**

Add: Profit for the Period/Year

Add: transferred from Capital Reserve on consolidation pursuant to strike off of erstwhile subsidiary

Less: Bonus shares issued

Less: Dividend paid

Closing Balance**Other comprehensive income****Re-measurement of Defined benefit plan**

Opening Balance

Add: Movement in OCI (Net) during the Period/Year

Add: Adjustment in OCI

Closing Balance**Total**

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Securities premium			
Opening Balance	30.83	30.83	30.83
Add: Premium on shares issued during the year	-	-	-
Closing Balance	30.83	30.83	30.83
Capital Redemption Reserve			
Opening Balance	0.51	0.51	0.51
Closing Balance	0.51	0.51	0.51
Capital Reserve on consolidation			
Opening Balance	0.50	0.50	0.50
Less: Transfer to retained earnings pursuant to strike off of erstwhile subsidiary	(0.50)	-	-
Closing Balance	-	0.50	0.50
General Reserve			
Opening Balance	223.06	223.06	223.06
Less: Utilised for buyback of equity shares	(223.06)	-	-
Closing Balance	-	223.06	223.06
Retained earnings			
Opening Balance	564.96	454.58	278.28
Add: Profit for the Period/Year	196.19	115.96	180.02
Add: transferred from Capital Reserve on consolidation pursuant to strike off of erstwhile subsidiary	0.50	-	-
Less: Bonus shares issued	(190.87)	-	-
Less: Dividend paid	(5.59)	(5.59)	(3.73)
Closing Balance	565.19	564.96	454.58
Other comprehensive income			
Re-measurement of Defined benefit plan			
Opening Balance	(1.43)	(0.17)	0.04
Add: Movement in OCI (Net) during the Period/Year	(0.26)	(1.26)	(0.20)
Add: Adjustment in OCI	-	-	(0.02)
Closing Balance	(1.69)	(1.43)	(0.17)
Total	594.85	818.43	709.30

20.1 Nature and purpose of reserves**Securities Premium Reserve**

- (a) Securities premium is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital redemption Reserve

- (b) Capital redemption reserve created in relation to buyback of shares as required under the provisions of the Companies Act, 2013 the same is utilised in accordance with the provisions of the said Act.

Retained earnings

- (c) Retained earnings represent the accumulated earnings net of losses if any made by the Group over the years as reduced by dividends or other distributions paid to the shareholders and includes other comprehensive income.

General Reserve

- (d) General reserves represents portion of Company's earnings that is set aside for future use and have been utilised for bonus issue and other purposes in accordance with the provisions of the Companies Act, 2013.

Capital Reserve on Consolidation

- (e) Capital Reserve on Consolidation represents the amount by which the Company share in equity of its subsidiary exceeded the cost of acquiring the investment at the date control was obtained, in accordance with the provisions of the said Act.

Remeasurement of Defined benefit plan

- (f) Other Comprehensive Income represents remeasurement of net defined benefit liability / asset, net of taxes.

21 Non Current Borrowings**Secured****Term loans**

- From banks (Refer note 21.1)

Unsecured

Loan from related parties*

Sub-total

Less: Current maturities of long term borrowings (Refer note 24)

Total

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Secured			
Term loans			
- From banks (Refer note 21.1)	222.36	197.29	130.13
Unsecured			
Loan from related parties*	40.00	40.00	40.84
Sub-total	262.36	237.29	170.97
Less: Current maturities of long term borrowings (Refer note 24)	(33.59)	(31.58)	(49.54)
Total	228.77	205.71	121.43

*Repayable in its entirety at the end of 10 years from various date of receipts.

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Note 21.1 : Borrowings
Secured Borrowings
(a).Terms of Repayment

Sr no.	Types of Borrowings and Maturity Dates	Terms of Repayment and Rate of Interest	As at		
			March 31, 2025	March 31, 2024	March 31, 2023
1	Term loan from Bank Maturity date :February, 2033	Repayable in 120 months or Residual period whichever is less Interest Rate :11.00% p.a. Fixed i.e. @ 6.25 % below PLR of 17.25% p.a Secured by Factory land and building proposed to be constructed at kawathe	63.47	69.89	44.46
2	Term Loan from Bank Maturity date :February, 2032	Repayable in 96 months or Residual period whichever is less Interest Rate :11.25% Floating Rate of Interest@ 6.25% below PLR of 17.50%	92.94	44.75	-
3	Term Loan from Bank Maturity date :November, 2031	Repayable in 96 months or Residual period whichever is less Interest Rate :11.25% Floating Rate of Interest@ 6.25% below PLR of 17.50%	52.50	45.80	-
4	Term Loan from Bank Maturity date :January, 2027	Repayable in 60 months or Residual period whichever is less Interest Rate :7.00% p.a. fixed rate of interest @8.75%below PLR of 15.75% p.a.	2.66	4.44	6.10
5	Term Loan from Bank Maturity date : January, 2027	Repayable in 60 months or Residual period whichever is less Interest Rate :7.00% p.a. fixed rate of interest @8.75%below PLR of 15.75% p.a.	0.63	1.06	1.44
6	Term loan from Bank Maturity date :October, 2026	Repayable in 66 months or Residual period whichever is less Interest Rate :9.75% Floating Rate of Interest @ 6.25% below PLR of @16.00% p.a.) for TL disbursed in INR LIBOR (1 Year) + 3.00% for FCTL	10.16	19.82	41.69
7	Term loan from Bank Maturity date :December, 2025	Repayable in 84 months or Residual period whichever is less Interest Rate :9.50% Floating Rate of Interest @ 6.25% below PLR of @15.75%p.a.	-	8.68	15.32
8	Term loan from Bank Maturity date : November, 2025	Repayable in 84 months or Residual period whichever is less Interest Rate :9.50% Floating Rate of Interest @ 6.25% below PLR of @15.75%p.a.	-	0.10	3.74
9	Term loan from Bank Maturity date : July, 2025	Repayable in 84 months or Residual period whichever is less Interest Rate :9.50% Floating Rate of Interest @ 6.25% below PLR of @15.75%p.a.	-	0.35	6.85
10	Term loan from Bank Maturity date :June, 2025	Repayable in 60 months or Residual period whichever is less Interest Rate :9.75% Floating Rate of Interest @ 6.25% below PLR of @15.75%p.a.	-	2.40	4.26
11	Term loan from Bank Maturity date :January, 2024	Repayable in 60 months or Residual period whichever is less Interest Rate :7.00% p.a. fixed rate of interest @8.75%below PLR of 15.75% p.a. The loan is fully repaid in March-2024	-	-	4.40
12	Term loan from Bank Maturity date :May, 2024	Repayable in 36 months or Residual period whichever is less Interest Rate : 8.00% p.a. Fixed Rate of Interest @ 7.75% below PLR of @ 15.75% p.a. The loan is fully repaid in March-2024	-	-	0.403
13	Term loan from Bank Maturity date :February, 2024	Repayable in 84 months or Residual period whichever is less Interest Rate : 8.50% p.a. Fixed Rate of Interest @ 7.25% below PLR of @ 15.75% p.a. The loan is fully repaid in May-2023	-	-	1.47
Total			222.36	197.29	130.13

(b)Nature of Security:
Term loans from Bank stated against Sr No. 1 to 3 and 6 above.

Secured by first pari passu charge on the entire movable and immovable property, plant & machinery of the Company, both present and future. Additionally the loans are guaranted by the Directors of the Company.

Term loans from Bank stated against Sr No. 4 and 5 above

Secured by exclusive charge on Vehicles. Additionally the loans are guaranteed by the Directors of the Company

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21.2 Loans guaranteed through Personnel Guarantee of Directors
Particulars

Term loan from banks
Current maturities of long term borrowings (Refer note 21)
Short term Borrowings from banks
Total

As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
188.77	165.71	80.59
33.59	31.58	49.54
172.89	171.09	41.09
395.25	368.38	171.22

22 Other Non Current Financial Liabilities

Gratuity (Funded)
Total

As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
13.98	12.80	9.37
13.98	12.80	9.37

23 Non-Current Provisions

- Provision for Compensated Absences (Unfunded)
Total

As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
12.79	12.23	10.04
12.79	12.23	10.04

24 Current Borrowings
Secured

From banks
- Cash credit
- Bill Discounting
Current maturities of long term borrowings (Refer note 21)
Total

As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
172.89	171.09	33.35
-	-	7.74
33.59	31.58	49.54
206.48	202.67	90.63

24.1 The Cash Credit Facility and is secured against hypothecation of Stock and Book Debts and Bill Discounting Facility is secured against hypothecation of Book Debts.

25 Trade Payables

Trade Payables-Micro & Small Enterprises
Trade Payables-Others
Total

As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
21.42	28.33	49.18
144.55	105.16	165.12
165.97	133.49	214.30

Refer Note 25.1 for Trade Payables Ageing Schedule

Note 25.1 : Trade Payables Ageing Schedule

		As at March 31, 2025					
		Outstanding for following period from due date of payments					
Particulars		Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME		21.42	-	-	-	-	21.42
(ii) Others		56.53	79.55	3.03	2.18	3.26	144.55
(iii) Disputed dues – MSME		-	-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-	-
Total		77.95	79.55	3.03	2.18	3.26	165.97
		As at March 31, 2024					
		Outstanding for following period from due date of payments					
Particulars		Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME		26.91	1.42	-	-	-	28.33
(ii) Others		48.34	50.26	2.85	0.84	2.87	105.16
(iii) Disputed dues – MSME		-	-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-	-
Total		75.25	51.68	2.85	0.84	2.87	133.49
		As at March 31, 2023					
		Outstanding for following period from due date of payments					
Particulars		Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME		45.13	4.02	-	-	0.03	49.18
(ii) Others		75.63	83.25	2.50	1.55	2.19	165.12
(iii) Disputed dues – MSME		-	-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-	-
Total			87.27	2.50	1.55	2.22	214.30

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26 Other Current Financial Liabilities**Interest accrued and not due:**

- To Related Party

- To Foreign Currency Term Loan

Salary and Wages Payable

Other payables*

Total

*Other payables mainly consist of employee related dues and other accrued expenses.

As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
0.30	0.90	-
1.70	0.67	0.38
14.35	14.44	13.52
21.96	19.38	16.53
38.31	35.39	30.43

27 Other Current Liabilities

Advance from Customers

Statutory dues

Interest Payable to Micro & Small Enterprise

Total

As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
0.24	0.36	0.71
3.84	7.35	15.51
8.67	17.24	14.43
12.75	24.95	30.65

28 Current Provision**Provision for employee benefits**

- Provision for Compensated Absences(Unfunded)

- Provision for Bonus

Provision for Warranty Claim (Refer Note 45)

Total

As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
1.03	0.98	1.36
7.00	6.79	6.62
1.55	1.32	1.33
9.58	9.09	9.31

29 Current Tax Liabilities (Net)

Provision for Income Tax (Net of Advance tax)

Total

As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
5.34	3.89	10.19
5.34	3.89	10.19

30	Revenue from Operations	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
	Sale of Products			
	- Export Sales	456.70	456.32	455.52
	- Domestic Sales	1,095.72	864.45	817.90
	Sub-Total (A)	1,552.42	1,320.77	1,273.42
	Other Operating Revenue			
	- Export incentives (Refer note 30.2)	9.06	9.73	8.11
	- Sale of manufacturing scrap	51.09	45.09	50.67
	- Labour charges	1.25	1.49	1.16
	Sub-total (B)	61.40	56.31	59.94
	Total (A+B)	1,613.82	1,377.08	1,333.36
30.1	Disclosure pursuant to Ind AS 115: Revenue from contract with customers			
(a)	Disaggregated Revenue	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
	(i) Revenue based on timing:			
	Revenue recognized at point in time	1,613.82	1,377.08	1,333.36
	Total	1,613.82	1,377.08	1,333.36
	(ii) Revenue by geographical market			
	Within India	1,157.12	920.76	877.84
	Outside India	456.70	456.32	456.00
	Total	1,613.82	1,377.08	1,333.84
(b)	Contract Balances			
	Particulars	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
	(i) Contract Liabilities			
	Opening balance	0.36	0.71	0.34
	Add: Contract liabilities recognised during the year	0.24	0.36	0.71
	Less: Revenue recognised out of contract liabilities	0.36	0.71	0.34
	Closing balance **	0.24	0.36	0.71
	(ii) Contract asset			
	Trade receivable (Refer note 12)	457.21	368.63	425.53
	** The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period are having performance obligations, which are a part of the contracts that has an original expected duration of one year or less. Hence, the Company has applied practical expedient as per para 121 of the Ind AS 115 in regards to remaining performance obligations.			
(c)	Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price			
	Particulars	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
	Revenue as per contract price	1,613.82	1,377.08	1,333.36
	Less: Adjustment			
	- Export incentives	(9.06)	(9.73)	(8.11)
	Net revenue from contract with customers	1,604.76	1,367.35	1,325.25

30.2 Export incentives represent Government grants received in the form of Duty Draw Back and RODTEP which are benefits given by Government of India for export of goods made from India. There are no unfulfilled conditions or contingencies attached to these grants.

31	Other Income	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
	Interest income from bank and others	12.48	5.94	6.90
	Net gain on fair valuation of financial instruments (FVTPL)	-	0.88	6.74
	Gain on Sale of Investment	-	2.90	-
	Dividend income from Investments	0.08	0.14	0.09
	Foreign Exchange Gain (Net)	9.92	6.10	21.22
	Gain on sale of property, plant and equipment (Net)	26.88	1.85	0.75
	Reversal of Provisions on:			
	Impairment of Investment (Net)	-	4.10	-
	Doubtful Debts	-	11.02	-
	Advance to Vendors	2.33	-	-
	Miscellaneous income	1.56	1.72	0.38
	Total	53.25	34.65	36.08
32	Cost of Raw Materials and Components Consumed	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
	Inventories at beginning of the year	55.45	85.14	95.07
	Add: Purchases	614.95	474.67	465.28
	Less: Inventories at end of the year	(78.63)	(55.45)	(85.14)
	Total	591.77	504.36	475.21
33	Changes in Inventories of Finished Goods and Work-in-progress	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
	Opening balance :			
	Finished goods	66.79	75.57	70.35
	Work-in-progress	87.95	71.90	66.49
	Total of Opening Balance (A)	154.74	147.47	136.84
	Less: Adjustment on account of sale of Subsidiary (B)			
	Closing Balance :			
	Finished goods	89.91	66.79	75.57
	Work-in-progress	98.58	87.95	71.90
	Total of Closing Balance (C)	188.49	154.74	147.47
	Total Changes in Inventories of Finished Goods and Work-in-progress (A-B-C)	(33.75)	(7.27)	(10.63)
34	Manufacturing Expenses	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
	Consumption of stores, spare parts and loose tools	34.03	32.04	33.52
	Chemical, oil and lubricant	31.06	25.70	28.07
	Consumption of packing materials	28.74	24.59	22.82
	Job work charges	126.51	110.01	93.36
	Power and fuel	60.85	52.45	45.30
	Contract labour charges	77.03	70.25	58.17
	Repairs and maintenance - Machinery	18.68	16.89	13.60
	Testing and inspection charges	1.25	0.99	0.93
	Measurement instrument	3.50	6.38	4.31
	Factory expenses	3.70	3.97	4.94
	Total	385.35	343.27	305.02
35	Employee Benefit Expenses	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
	Salaries, wages and bonus	174.59	168.64	145.84
	Contributions to Gratuity, provident and other funds	15.06	13.33	11.58
	Staff welfare expenses	13.58	10.46	7.45
	Total	203.23	192.43	164.87

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36	Finance Costs	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
	Interest to banks	38.59	21.87	29.40
	Interest to others	7.67	6.82	7.65
	Foreign Currency loan Exchange Loss	1.86	0.05	9.25
	Total	48.12	28.74	46.30
37	Depreciation and Amortization Expenses	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
	Depreciation on property, plant and equipment	100.03	72.64	59.28
	Amortization of intangible asset	1.04	0.75	1.95
	Total	101.07	73.39	61.23
38	Other Expenses	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
	Rent, rates and taxes	0.76	1.19	1.47
	<u>Repairs and maintenance</u>			
	- Buildings	1.89	1.37	1.23
	- Others	4.78	6.75	5.57
	Travelling and conveyance	5.12	5.81	3.44
	Printing and stationery	2.45	2.31	2.20
	Communication expenses	1.61	1.28	1.48
	Vehicle expenses	3.16	3.37	2.99
	Insurance	0.93	0.72	1.03
	Export expenses	6.23	5.78	4.77
	Transport outward	18.17	14.85	11.00
	Commission on sales	17.05	14.07	15.47
	Security charges	4.43	3.56	2.42
	Payment to Director:			
	- Director Sitting Fees	1.22	1.64	1.31
	- Commission paid	1.20	1.20	-
	Legal and professional fees	17.28	13.95	8.91
	Subscription and membership fees	2.02	1.98	1.56
	CSR expenses	5.03	4.42	2.47
	Auditors remuneration	0.80	0.80	0.70
	Bad Debts Written Off	0.15	16.03	-
	Investment Written Off	-	4.00	-
	Advances given written off	2.33	-	-
	Office expenses	0.51	0.35	0.48
	Provision for Advances given	-	2.33	-
	Bank charges	3.77	4.71	6.81
	Provision for expected credit losses (Net)	3.67	1.74	4.63
	Provision for impairment of Investments	-	-	0.10
	Provision for doubtful debts	-	-	1.49
	Sundry balances written off (Net)	0.20	3.76	1.09
	Net Loss on fair valuation of financial instruments (FVTPL)	0.91	-	-
	Miscellaneous expenses	3.69	0.81	3.00
	Total	109.36	118.78	85.62

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39 Income Tax
(a) Reconciliation of tax expenses and the accounting profit multiplied by applicable tax rate:

Particulars	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Profit before tax (a)	261.94	158.03	241.82
Income tax rate as applicable (b)	25.17%	25.17%	25.17%
Income tax Liability/(Asset) as per applicable tax rate (a X b)	65.93	39.77	60.86
(i) Expenses disallowed for tax purposes	2.33	1.00	5.55
(ii) Deferred Tax on account of Property Plant & Equipment	2.99	1.76	2.76
(iii) Short/ (excess) provision for earlier years	0.27	-	-
(iv) Effect of Taxes Paid at different rates	(2.66)	(0.07)	-
(v) Deferred tax asset not recognized on losses incurred due to uncertainty of realization	(2.01)	(0.38)	(7.25)
(vi) Tax effects on other (Allowance)/Disallowances	(1.21)	(0.44)	(0.19)
Tax expense reported in the Statement of Profit and Loss	65.66	41.65	61.73

(b) Income tax recognized in the Statement of Profit and Loss:

Particulars	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Current tax			
In respect of the current year	67.39	42.06	68.96
In respect of the earlier years	0.27	-	-
	67.66	42.06	68.96
Deferred tax			
Deferred tax charge/ (credit)	(1.91)	0.01	(7.16)
Deferred tax charge/ (credit) - OCI	(0.09)	(0.42)	(0.07)
	(2.01)	(0.41)	(7.23)
Total tax expense recognized in current year	65.66	41.65	61.73

40 Capital commitments, other commitments and contingent liabilities**40.1 Estimated amount of contracts remaining to be executed on capital account and not provided for:**

- (a) As at March 31, 2025, the Group had commitment of Rs.6.71 (March 31, 2024: Rs.40.89 , March 31, 2023: Rs.66.01), net of advances towards the procurement of Property, plant and equipment

40.2 Contingent Liabilities**Claims against the Group/ disputed liabilities not acknowledged as debts**

Disputed GST Demand

As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
-	1.51	2.63

40.3 Other note

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Employment and Post Employment Benefits. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its Restated Consolidated Financial Information in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

41 Earnings Per Share

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Basic and diluted earning per share			
Profit attributable to the equity holders of the Company			
- Continuing operations	196.19	115.96	180.02
Weighted average number of equity shares outstanding at the end of the year(in numbers)	3,72,910	3,72,910	3,72,910
Effect of bonus issue and share split (refer Note 19.5)	8,31,58,930	8,31,58,930	8,31,58,930
Weighted average number of shares adjusted for the effect of above outstanding at the end of the year (in numbers)	8,35,31,840	8,35,31,840	8,35,31,840
Basic and diluted earnings per share			
- Continuing operations	2.35	1.39	2.16

There are no instruments, including contingently issuable shares, that could potentially dilute basic earnings per share; hence, diluted earnings per share equals basic earnings per share.

42 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'**(i) Disclosures for defined contribution plan**

The Group has certain defined contribution plans. The obligation of the Group is limited to the amount contributed and it has no further contractual obligation. Following is the details regarding Group's contributions made during the year:

Particulars	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Provident and other fund	10.62	9.74	9.00

(ii) Disclosures for defined benefit plans**(a) Defined benefit obligations - Gratuity (funded)**

i. The Company provides for gratuity, a defined benefit retirement plan covering eligible employees, as governed by The Payment of Gratuity Act, 1972 (Gratuity Act). The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 to 26 days' salary for each completed year of service. Vesting occurs upon completion of five continuous years of service as governed by Gratuity Act.. Under the gratuity plan, eligible employee gets a gratuity on @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

ii. The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plan.

Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follows:

Interest rate risk	The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
Salary inflation risk	Higher than expected increases in salary will increase the defined benefit obligation.
Demographic risk	This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

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For determination of the liability in respect of compensated gratuity, the Group has used following actuarial assumptions:

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Discount Rate (per annum)	6.90%	7.20%	7.50%
Rate of Return on Plan Assets (per annum)	7.00%	7.00%	7.00%
Salary Escalation (per annum)	7.00%	7.00%	7.00%
Attrition Rate (per annum)	5.00%	5.00%	5.00%
Attrition Rate (per annum)	3.00%	3.00%	3.00%
Attrition Rate (per annum)	2.00%	2.00%	2.00%
Mortality Rate	As per Indian Assured lives Mortality (2012-14) Ultimate		
Changes in the present value of obligations	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Liability at the beginning of the year	18.50	13.78	11.45
Interest cost	1.31	1.01	0.82
Current service cost	3.68	2.87	2.54
Benefits paid	(2.80)	(0.65)	(0.58)
Actuarial (gain)/loss on obligations	0.18	1.48	(0.44)
Liability at the end of the year	20.87	18.50	13.78
Changes in the fair value of plan assets	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening fair value of plan assets	5.65	4.37	4.26
Expected return on plan assets	0.46	0.39	0.37
Employers contribution	3.71	1.73	0.50
Benefits paid	(2.80)	(0.65)	(0.58)
Actuarial gain/(loss) on plan assets	(0.17)	(0.19)	(0.18)
Closing fair value of plan assets	6.85	5.65	4.37
Table of recognition of actuarial gain / loss	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Actuarial (gain)/ loss on obligation for the year	0.18	1.48	(0.44)
Actuarial gain/ (loss) on assets for the year	(0.17)	(0.19)	(0.18)
Actuarial (gain)/ loss recognized in Statement of Profit and Loss	0.35	1.67	(0.26)
Breakup of actuarial (gain) /loss:	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Actuarial loss arising from change in financial assumption	0.93	0.79	(0.41)
Actual return on plan assets less interest on plan assets	0.17	0.19	0.18
Actuarial loss/(gain) arising from experience	(0.75)	0.69	(0.03)
Total	0.35	1.67	(0.26)
Amount recognized in the Balance Sheet:	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Liability at the end of the year	20.87	18.50	13.78
Fair value of plan assets at the end of the year	(6.85)	(5.65)	(4.37)
Amount recognized in Balance Sheet	14.02	12.85	9.41
Expenses recognized in the Income Statement:	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Current service cost	3.68	2.87	2.54
Interest cost	1.31	1.01	0.82
Expected return on plan assets	(0.46)	(0.39)	(0.37)
Actuarial (gain)/Loss	0.35	1.67	(0.27)
Expense/ (income) recognized in	4.88	5.17	2.72
- Statement of Profit and Loss	4.53	3.50	2.98
- Other comprehensive income	0.35	1.67	(0.27)
Balance sheet reconciliation	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Opening net liability	12.85	9.41	7.19
Expense recognized in Statement of Profit and Loss & OCI	4.88	5.17	2.72
Employers contribution	(3.71)	(1.73)	(0.50)
Amount recognized in Balance Sheet	14.02	12.85	9.41
Non current portion of defined benefit obligation	-	-	-
Current portion of defined benefit obligation	14.02	12.85	9.41

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Sensitivity analysis of benefit obligation (Gratuity)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
a) Impact of change in discount rate			
Present value of obligation at the end of the year			
a) Impact due to increase of 0.50%	19.31	17.17	12.78
b) Impact due to decrease of 0.50%	22.52	19.88	14.80
b) Impact of change in salary growth			
Present value of obligation at the end of the year			
a) Impact due to increase of 0.50%	22.52	19.83	14.79
b) Impact due to decrease of 0.50%	19.31	17.20	12.77
Maturity profile of defined benefit obligation			
Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Weighted average duration of the defined benefit obligation	15.34 Years	14.62 Years	14.69 Years
Projected benefit obligation	14.02	12.84	9.40
Accumulated benefit obligation	14.02	12.84	9.40
Pay-out analysis			
Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
1st year	0.61	0.52	0.43
2nd year	0.64	0.73	0.43
3rd year	1.09	0.64	0.59
4th year	0.75	1.04	0.53
5th year	1.11	1.09	0.85
Next 4 year pay-out (6- 9 year)	3.38	4.89	3.06
Sum of Years 10 and above	67.19	58.66	48.56

(iii) Other Long-term employee benefit

Compensated absences (non-funded)

As per the policy of the Group, obligations on account of benefit of accumulated leave of an employee is settled only on termination /retirement of the employee. Such liability is recognized on the basis of actuarial valuation following Project Unit Credit Method.

43 Leases

Asset taken under operating lease

- (i) During the Financial Year 2022-23, the Holding Company has taken Flat / Factory Premises on leave and license basis which are generally cancellable and for the period 11 months to 36 months. Details of rental expense recognized during the year in respect of this lease is given below:

(ii) Maturity analysis of lease liabilities (on undiscounted basis)

	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Less than 1 year	-	-	2.00
Between 2-3 years	-	-	2.10
More than 3 years	-	-	-

(iii) Rent Expense recognized during the year under Other Expenses in Statement of Profit & Loss

Particulars	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Rent expense recognized during the year	-	1.03	1.02

44 Disclosures as required by Indian Accounting Standard (Ind AS) 108 - Operating Segments

(a) Operating Segments

The Company's Managing Director/CEO has been identified as the Chief Operating Decision Maker ('CODM'), since Managing Director and CEO are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget and other key decisions. Managing director/CEO reviews the operating results at the Company level to make decisions about the Group's performance. Accordingly, management has identified the business as single operating segment i.e. Hydraulic fittings for auto and industrial sector. Accordingly, there is only one Reportable Segment for the Group which is "Hydraulic fittings for auto and industrial sector", hence no specific disclosures have been made.

(b) Geographical Segments

Revenue & Trade receivables as per Geographical Markets

Particulars	For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
Revenue			
India	1,157.12	920.76	877.84
Outside India	456.70	456.32	456.00
Total	1,613.82	1,377.08	1,333.84
Trade receivable			
India	303.22	213.55	253.00
Outside India	168.11	165.53	192.30
Total	471.33	379.08	445.30

HY-TECH ENGINEERS LIMITED
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Annexure VI - Notes to Consolidated Restated Financial Information

(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

45	Movement in Provision for Warrenty	Amount
	As at April 1, 2022	-
	Provided during the year (Net)	1.33
	As at April 1, 2023	1.33
	Provided during the year (Net)	-0.01
	As at March 31, 2024	1.32
	Provided during the year (Net)	0.23
	As at March 31, 2025	1.55

46 Additional information as required under schedule III to The Companies Act, 2013, of the enterprises consolidated as subsidiaries and associate are as given below:

Name of the Entity in the group	Net assets (total assets minus total liabilities)		Share in profit and loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidate d net assets	Amount	As % of Consolidate d profit or loss	Amount	As a % of consolidated Total Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent								
March 31, 2025	99.99%	1,012.38	100.01%	196.22	100.00%	(0.26)	100.01%	195.96
March 31, 2024	99.98%	822.01	100.41%	116.44	100.00%	(1.26)	100.42%	115.18
March 31, 2023	101.15%	721.23	102.04%	183.69	100.00%	(0.20)	102.04%	183.50
Subsidiary-Indian								
HY Tech ACR Private Limited								
March 31, 2025	0.01%	0.13	-0.01%	(0.03)	0.00%	-	-0.01%	(0.03)
March 31, 2024	0.02%	0.15	-0.41%	(0.48)	0.00%	-	-0.42%	(0.48)
March 31, 2023	-1.15%	(8.20)	-1.23%	(2.21)	0.00%	-	-1.23%	(2.21)
Subsidiary-Indian								
Earthmac Hytech Private Limited								
March 31, 2025	0.00%	-	0.00%	-	0.00%	-	0.00%	-
March 31, 2024	0.00%	-	0.00%	-	0.00%	-	0.00%	-
March 31, 2023	0.00%	-	-0.81%	(1.46)	0.00%	-	-0.81%	(1.46)
March 31, 2025	100.00%	1,012.51	100.00%	196.19	100.00%	(0.26)	100.00%	195.93
March 31, 2024	100.00%	822.16	100.00%	115.96	100.00%	(1.26)	100.00%	114.70
March 31, 2023	100.00%	713.03	100.00%	180.02	100.00%	(0.20)	100.00%	179.83

Note: After effect of consolidation elimination and consolidation adjustments.

Annexure VI - Notes to Consolidated Restated Financial Information

(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

47 Related Party Transactions**47.1 Name and Relationships of Related Parties:****Relationship where Control exists****- Subsidiaries**

Earthmac Hytech Pvt. Ltd (upto March 31, 2023)

HY-Tech ACR Pvt. Ltd (from February 06, 2019)

(a) Entities in which Key Managerial personnel are able to exercise significant influence:

NR Hy Tech Engineers Pvt. Ltd.

Hy Tech Fluid Power Pvt.Ltd

HY Tech USA INC.

(b) Key Management Personnel (KMP):**Name**

Mr. Hemant T Mondkar

Mrs. Surekha H Mondkar

Mr. Ashwin H Mondkar

Mr. Milind M. Shahane

Mr. Mahesh Karlekar

Mr. Satish Kulkarni

Mr. Chetan Sapre

Mr. Vivek Patwardhan

Mr. Sunil Satwani

Ms. Sai Ranadive

Mr. Darshan H Mondkar

Mrs. Rishika S Abhyankar

Mrs. Gauri Prabhavalkar

Mr. Jayant T Mondkar

Designation/Relation with Company

Chairman and Managing Director

Executive Director

Non Executive Director

Whole Time Director (Upto May 01, 2024)

Director (Upto February 20, 2024)

Independent Director

Independent Director

Independent Director

Chief Financial Officer (w.e.f. Dec 28, 2024)

Company Secretary(w.e.f. Feb 5, 2025)

Relative of KMP

Relative of KMP

Relative of KMP

Relative of KMP

47.2 Transactions with Related Parties:**Particulars****For the financial year ended on**

March 31, 2025	March 31, 2024	March 31, 2023

a. Transactions with Entities in which Key Managerial personnel are able to exercise significant influence:**NR Hy Tech Engineers Pvt. Ltd.**

Sale of finished goods/ Raw materials / traded goods

0.21

0.72

0.51

Purchase of finished goods/ Raw materials / traded goods

2.11

1.46

1.57

Hy Tech Fluid Power Pvt. Ltd.

Sale of finished goods/ Raw materials / traded goods

1.22

1.56

1.09

Purchase of finished goods/ Raw materials / traded goods

0.45

-

0.22

Hy-Tech USA Inc.

Commission Expense

17.05

14.07

14.50

Sale of finished goods/ Raw materials / traded goods

49.10

54.38

76.29

b. Transactions with Key Management Personnel**Loan Received**

Mahesh V Karlekar

-

-

0.20

Hemant T Mondkar

0.18

-

-

Interest Expenses on Loan received

Hemant T Mondkar

2.50

2.50

2.50

Surekha H Mondkar

1.50

1.50

1.50

Dividend Paid

Hemant T Mondkar

3.87

3.86

2.32

Ashwin H Mondkar

0.28

0.28

0.15

Surekha H Mondkar

1.39

1.39

0.83

Reimbursement of Expenses

Hemant T Mondkar

1.95

1.16

0.80

Surekha H Mondkar

2.16

1.43

0.36

Annexure VI - Notes to Consolidated Restated Financial Information

(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

	Particulars	For the financial year ended on		
		March 31, 2025	March 31, 2024	March 31, 2023
	Managerial Remuneration			
	Hemant T Mondkar	11.56	11.57	10.85
	Surekha H Mondkar	2.60	2.61	2.40
	Milind M. Shahane	0.46	0.92	-
	Sunil Satwani	2.61	-	-
	Sai Ranadive	0.16	-	-
	Sitting Fees paid			
	Satish Kulkarni	0.41	0.52	0.40
	Chetan Sapre	0.41	0.52	0.44
	Vivek Patwardhan	0.40	0.60	0.47
	Commission Paid			
	Satish Kulkarni	0.60	0.60	-
	Chetan Sapre	0.30	0.30	-
	Vivek Patwardhan	0.30	0.30	-
	Consultancy Services			
	Jayant T Mondkar	-	-	0.67
47.3	Details of balance outstanding are as follows:			
	Particulars	As at		
		March 31, 2025	March 31, 2024	March 31, 2023
a.	Hy Tech Fluid Power Pvt. Ltd.			
	Receivable for supply of finished goods/ Raw materials/traded goods/services/Asset	0.41	0.82	0.32
	Advance to vendors	-	0.06	0.06
b.	Hy-Tech USA Inc.			
	Receivable for supply of finished goods/ Raw materials/traded goods/services/Asset	20.86	31.68	27.07
	Commission Payable	7.46	6.17	6.95
c.	NR Hy Tech Engineers Pvt. Ltd.			
	Receivable for supply of finished goods/ Raw materials/traded goods/services/Asset	0.09	0.85	-
	Payable for supply of finished goods/ Raw materials / traded goods/services	0.64	1.21	-
d.	Transactions with key managerial personnel:			
	Loan Taken			
	Hemant T. Mondkar	25.00	25.00	25.00
	Surekha H. Mondkar	15.00	15.00	15.00
	Mahesh Karlekar	-	-	0.84
	Interest Payable on Loan Taken			
	Hemant T. Mondkar	0.19	0.56	-
	Surekha H. Mondkar	0.11	0.34	-
	Directors Remuneration Payable			
	Hemant T. Mondkar	1.32	0.50	0.93
	Surekha H. Mondkar	0.34	0.14	0.24
	Milind M. Shahane	-	0.33	-
	Sunil Satwani	0.13	-	-
	Sai Ranadive	0.08	-	-
	Sitting Fees payable			
	Satish Kulkarni	0.18	-	-
	Chetan Sapre	0.18	-	-
	Vivek Patwardhan	0.13	-	-

HY-TECH ENGINEERS LIMITED**CIN: U99999MH1978PLC020853****Annexure VI - Notes to Consolidated Restated Financial Information**

(All amounts are in ₹ Millions, except share and per share data, unless otherwise stated)

47.4 Related Party Transactions Eliminated**In the Books of Hy-Tech Engineers Ltd**

Nature of Transaction	Name of the Party	For the financial year ended on		
		March 31, 2025	March 31, 2024	March 31, 2023
Transaction with Subsidiary Co.				
Interest on Loan Received	Hy Tech ACR Pvt Ltd	-	1.03	-
Inter Company Purchase	Hy Tech ACR Pvt Ltd	-	-	1.49
Inter Company Sale	Hy Tech ACR Pvt Ltd	-	-	0.26
Sundry Balance Written Off	Hy Tech ACR Pvt Ltd	-	-	0.23
Purchase of Property , Plant and Equipment	Hy Tech ACR Pvt Ltd	-	-	6.83
Unsecured Loan Advanced	Hy Tech ACR Pvt Ltd	-	-	7.80
Investment	Hy Tech ACR Pvt Ltd	9.83	9.83	1.00
Investment	Earthmac Hytech Pvt Ltd	-	-	4.50

In the Books of Hy Tech ACR Pvt Ltd

Nature of Transaction	Name of the Party	For the financial year ended on		
		March 31, 2025	March 31, 2024	March 31, 2023
Transaction with Holding Co.				
Inter Company Sale	Hy-Tech Engineers Ltd	-	-	1.49
Inter Company Purchase	Hy-Tech Engineers Ltd	-	-	0.26
Interest on Loan Paid	Hy-Tech Engineers Ltd	-	1.03	-
Sale of property, plant and Equipment	Hy-Tech Engineers Ltd	-	-	6.83
Sundry Balance Written back	Hy-Tech Engineers Ltd	-	-	0.23
Equity Infusion	Hy-Tech Engineers Ltd	9.83	9.83	1.00
Unsecured Loan	Hy-Tech Engineers Ltd	-	-	7.80

In the Books of Earthmac Hytech Pvt Ltd

Nature of Transaction	Name of the Party	For the financial year ended on		
		March 31, 2025	March 31, 2024	March 31, 2023
Transaction with Holding Co.				
Equity	Hy-Tech Engineers Ltd	-	-	4.50

48 Financial instruments**(i) Methods and assumptions used to estimate the fair values**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- The carrying amounts of receivables and payables which are short term in nature such as trade receivables, loans given to related parties and others, other current financial assets, cash and cash equivalents, other bank balances, trade payables, borrowings, other current financial liabilities.
- The fair values for long term security deposits and other non-current financial assets are calculated based on discounted cash flow method. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.
- The fair values for non current borrowings is based on discounted cash flow method using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to use of unobservable
- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(ii) Categories of financial instruments

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: inputs which are not based on observable market data

Financial asset and liabilities (Non-current and Current)

Sr. No.	Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
		Carrying Values	Fair Values	Carrying Values	Fair Values	Carrying Values	Fair Values
A	Financial assets						
	Measured at amortised Cost						
(i)	Non Current Other financial asset	25.64	25.64	113.83	113.83	27.96	27.96
(ii)	Trade receivables (Net)	457.21	457.21	368.63	368.63	425.53	425.53
(iii)	Cash and cash equivalents	7.28	7.28	6.04	6.04	8.43	8.43
(iv)	Other bank balances	5.79	5.79	48.90	48.90	49.85	49.85
(v)	Loans and Advances	1.45	1.45	1.73	1.73	1.01	1.01
(vi)	Other current financial asset	176.68	176.68	4.83	4.83	9.57	9.57
	Measured at Fair Value through profit and loss						
B	Non-current Investments	17.23	17.23	8.14	8.14	7.25	7.25
	Total financial assets (A+B)	691.28	691.28	552.10	552.10	529.60	529.60
C	Financial liabilities						
	Measured at amortised Cost						
(i)	Non-current Borrowings	228.77	228.77	205.71	205.71	121.43	121.43
(ii)	Current Borrowings	206.48	206.48	202.67	202.67	90.63	90.63
(iii)	Other financial liabilities - non-current	13.98	13.98	12.80	12.80	9.37	9.37
(iv)	Trade payables	165.97	165.97	133.49	133.49	214.30	214.30
(v)	Other financial liabilities - current	38.31	38.31	35.39	35.39	30.43	30.43
	Total financial liabilities (C)	653.51	653.51	590.06	590.06	466.16	466.16

49 Financial Risk Management

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors is responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyze the risk faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group's Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Board of Directors is assisted in its oversight role by internal audit team. Internal audit team undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk

(a) Credit risk :

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, Loans and Advance given and other financial instruments.

Trade receivable and Loans and Advances

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. To manage trade receivable, the Group periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 49. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The Company uses a provision matrix whereby trade receivables are considered doubtful based on past trends where such receivables are outstanding for more than a year. The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2025, March 31, 2024 and March 31, 2023 is as follows:

As at March 31, 2025	Not Due	0-180 days	181-365 Days	>365 Days	Total
Gross Carrying amount	302.13	156.80	3.95	8.45	471.33
Expected Credit Rate	-	5%	9%	74%	
Expected credit loss	-	7.13	0.37	6.27	13.77
Carrying Amount of Trade Receivable (Net)	302.13	149.68	3.58	2.17	457.56
As at March 31, 2024	Not Due	0-180 days	181-365 Days	>365 Days	Total
Gross Carrying amount	193.06	171.76	6.93	7.33	379.08
Expected Credit Rate	-	4.56%	9%	23%	
Expected credit loss	-	7.83	0.62	1.65	10.10
Carrying Amount of Trade Receivable (Net)	193.06	163.93	6.31	5.68	368.99
As at March 31, 2023	Not Due	0-180 days	181-365 Days	>365 Days	Total
Gross Carrying amount	272.15	137.27	11.64	24.24	445.30
Expected Credit Rate	-	0.00%	9%	30%	
Expected credit loss	-	-	1.03	7.33	8.36
Carrying Amount of Trade Receivable (Net)	272.15	137.27	10.61	16.92	436.94

Movement in the expected credit allowance	Amount
As at April 1, 2022	3.73
Provided during the year	4.63
As at April 1, 2023	8.36
Provided during the year	1.74
As at March 31, 2024	10.10
Provided during the year	3.67
As at March 31, 2025	13.77

The Company considers the probability of default upon initial recognition of loan and advances and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the group compares the risk of a default occurring on the loan as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information

Investment in Shares and Mutual Funds, Cash and cash equivalents and Other Bank Balances:

Credit risk from investment in Shares, Mutual Funds and balances with banks and financial institutions is managed by the management in accordance with the Group's policy. For financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions and mutual funds having high credit-ratings assigned by credit-rating agencies. The Group monitors changes in credit risk by tracking published external credit ratings

The exposure to credit risk for Equity listed mutual fund and securities through FVTPL at the reporting date was as follows:

Particulars	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
	Carrying Values	Fair Values	Carrying Values	Fair Values	Carrying Values	Fair Values
Through fair value through profit or loss						
Investment in shares and mutual funds	17.23	17.23	8.14	8.14	7.25	7.25
Total	17.23	17.23	8.14	8.14	7.25	7.25

Impairment on cash and cash equivalents and other bank balances has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

(b) Liquidity risk :

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group's liquidity risk management policies include to, at all times ensure sufficient liquidity to meet its liabilities when they are due, by maintaining adequate sources of financing from banks at an optimised cost whenever considered appropriate. In addition, processes and policies related to such risks are overseen by senior management. The Group's senior management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows. The Group also monitors the level of expected cash inflows on trade receivables together with expected cash outflows on trade payables.

(i) Maturities of financial liabilities:

Particulars	Not due and Less than 1 year	1 to 5 year	Above 5 years	Total
As at March 31, 2025				
Borrowings	206.48	188.77	40.00	435.25
Trade payables	157.50	8.47	-	165.97
Other financial liabilities	38.31	13.98	-	52.29
As at March 31, 2024				
Borrowings	202.67	165.71	40.00	408.38
Trade payables	126.93	6.56	-	133.49
Other financial liabilities	35.39	12.80	-	48.19
As at March 31, 2023				
Borrowings	90.63	81.43	40.00	212.06
Trade payables	214.30	-	-	214.30
Other financial liabilities	30.43	9.37	-	39.80

Financing arrangements

The Group has sufficient sanctioned line of credit from its bankers / financiers (including overdraft facility) commensurate to its business requirements. The Group reviews its line of credit available with bankers and lenders from time to time to ensure that at all point of time there is sufficient availability of line of credit. The Group pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is exposed in the ordinary course of business to risks related to Interest rate, foreign currency exchange rate and prices

(i) Interest Rate Risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the group to cash flow interest rate risk.

Breakup of Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Fixed rate instruments			
- Borrowings	43.29	45.50	57.15
Floating rate instruments			
- Borrowings	391.96	362.88	154.91
Total	435.25	408.38	212.06

Interest rate Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax and on other component on equity is affected through the impact on floating rate borrowings, is as follows:

Effect	Increase/ (decrease) in basis points	Impact on profit before tax		
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
INR - Increase	100	(3.92)	(3.63)	(1.55)
INR - (Decrease)	(100)	3.92	3.63	1.55
Effect	Increase/ (decrease) in basis points	Impact on equity		
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
INR - Increase	100	(3.92)	(3.64)	(1.54)
INR - (Decrease)	(100)	3.92	3.64	1.54

(ii) Foreign currency risk

The Company is subject to the risk that changes in foreign currency values impact the Company's export, import and other payables

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar (USD), Euro (EUR) & Great Britain Pound (GBP)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Currency	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
		In foreign currency	In INR	In foreign currency	In INR	In foreign currency	In INR
Advance to Suppliers	US\$	-	-	0.01	16.94	-	-
	Euro	-	-	0.19	0.71	-	-
	GBP	0.01	0.41	0.01	0.41	-	-
Trade receivable	Euro	0.19	17.28	0.35	31.82	0.55	48.78
	US\$	1.77	150.73	1.61	133.71	1.75	143.47
Term loan from Bank - FCNR	US\$	0.77	65.56	1.11	91.96	0.61	49.97

Foreign currency sensitivity analysis:

The following details demonstrate the Group's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 1% change in foreign currency rates. A positive number below indicates an increase in profit or equity and vice-

Impact on profit or loss	Currency	As at	As at	As at
		March 31, 2025	March 31, 2024	March 31, 2023
INR Weakens by 1%				
Advance to Suppliers	US\$	-	(0.17)	-
	Euro	-	(0.01)	-
	GBP	(0.00)	(0.00)	-
Trade receivable	Euro	0.17	0.32	0.49
	US\$	1.51	1.34	1.43
Term loan from Bank - FCNR	US\$	(0.66)	(0.92)	(0.50)
INR strengthens by 1%				
Advance to Suppliers	US\$	-	0.17	-
	Euro	-	0.01	-
	GBP	0.00	0.00	-
Trade receivable	Euro	(0.17)	(0.32)	(0.49)
	US\$	(1.51)	(1.34)	(1.43)
Term loan from Bank - FCNR	US\$	0.66	0.92	0.50

(iii) Commodity price risk

The Group's activities are exposed to steel price risks and therefore its overall risk management program focuses on the volatile nature of the steel and cement market, thus seeking to minimize potential adverse effects on the Group's financial performance on account of such volatility. The risk management committee regularly reviews and monitors risk management principles, policies, and risk management activities.

(iv) Equity Price risk

The Group is mainly exposed to the price risk due to its investment in shares and mutual funds. The price risk arises due to uncertainties about the future market values of these investments. These are exposed to price risk. The Group's exposure to equity shares and mutual fund price risk arises from movement of price of related shares and mutual fund units measured at fair value through profit and loss.

Price risk sensitivity analysis:

0.10% increase or decrease in prices will have the following impact on profit/ (loss) before tax and on other components of equity

Impact on profit or loss and other equity	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Price-increase by 0.10 %	0.02	0.01	0.01
Price-decrease by 0.10 %	(0.02)	(0.01)	(0.01)

50 Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern so, that it can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce cost of capital. The Group manages its capital structure and make adjustments to, in light of changes in economic conditions, and the risk characteristics of underlying assets. In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by equity. Net debt is calculated as total borrowing (including current and non-current terms loans as shown in the balance sheet).

The Group monitors capital using 'Total Debt' to 'Equity'. The Group's Total Debt to Equity are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Total debt*	435.25	408.38	212.06
Total capital (total equity shareholder's fund)	1,012.51	822.16	713.03
Net debt to equity ratio	0.43	0.50	0.30

* Total debt = Non-current borrowings + current borrowings

The Group has complied with externally imposed capital requirements during the year ended March 31, 2025, March 31, 2024 and March 31, 2023.

Dividend Distribution

The Company's dividend policy balances shareholder returns with the need to retain earnings for business growth. The following dividends were declared during the reporting periods:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividends Paid	5.59	5.59	3.73
Proposed Dividend*	20.88	5.59	5.59

*Pending shareholder approval at the forthcoming Annual General Meeting.

The Board has recommended a dividend of Rs.0.25 per share (5% of face value of Rs. 5/- each) for FY 2024-25 (2023-24: Rs. 15 per share or 150% of face value of Rs. 10/- each) (2022-23: Rs. 15 per share or 150% of face value of Rs. 10/- each) Dividend declarations consider factors including profitability, retained earnings, liquidity position and future capital requirements.

The Company's capital management approach ensures compliance with statutory requirements while maintaining sufficient resources to support ongoing operations and strategic initiatives. Regular reviews are conducted to assess the adequacy and efficiency of the capital structure in light of changing business needs and market conditions.

51 Additional Regulatory Information pursuant to Division II Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (vi) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (vii) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (viii) The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- (ix) The Group does not have any transactions with companies struck off
- (x) The Group has not entered into scheme of arrangement which has an accounting impact on current or previous financial year.
- (xi) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Group.

- 52** The Group uses accounting software for maintaining its books of account which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled or tampered with effect from April 01, 2023 except that the audit trail for accounting software used at Nashik Division was enabled w.e.f June 24, 2024. Also the Holding company has not enabled the feature of the Audit trail log at the data base layer to log direct transactional changes due to the present design of ERP. Except for the periods of previous financial year where the audit trail feature was not enabled for software at Nashik division and at database level for the Holding Co, the Group has preserved the audit trail in accordance with statutory record retention requirements.

As per our examination report of even date

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. :104767W

For and on behalf of the Board of Directors of
Hy-Tech Engineers Limited

Atul Shah
 Partner
 Membership No. : 039569

Hemant T. Mondkar
 Chairman & Managing Director
 (DIN : 00060995)

Surekha H. Mondkar
 Executive Director
 (DIN : 00040920)

Sunil Satwani
 Chief Financial Officer

Sai Ranadive
 Company Secretary
 M. No:A67683

Place: Mumbai
 Date: July 22, 2025

Place: Thane
 Date: July 22, 2025

Summarised below are the restatement adjustments made to the Audited Consolidated Financial Statements as at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 and their impact on Total Equity and the Profit of the Group:

Part A: Statement of Restated Adjustments to the Audited Consolidated Financial Statements.**(i) Reconciliation between total audited equity and restated equity****Particulars****Total Equity as per Audited Consolidated Financial Statements****Restatement Adjustments:**

(i) Audit Qualifications

(ii) Adjustments due to change in accounting policy/ prior period items/ other adjustments *

(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable

Total adjustments(i+ii+iii)**Total equity as per restated statement of assets and liabilities**

* Amount less than Rs. 10,000

As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
594.85	818.43	709.31
-	-	-
-	-	(0.00)
-	-	-
-	-	(0.00)
594.85	818.43	709.30

(ii) Reconciliation between audited profit and restated profit**Particulars****Profit after tax as per Audited Consolidated Financial Statements****Restatement Adjustments:**

(i) Audit Qualifications

(ii) Adjustments due to change in accounting policy/ prior period items/ other adjustments

(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable

Total adjustments(i+ii+iii)**Restated profit after tax for the respective year**

For the financial year ended March 31, 2025	For the financial year ended March 31, 2024	For the financial year ended March 31, 2023
196.19	115.96	180.03
-	-	-
-	-	(0.00)
-	-	-
-	-	(0.00)
196.19	115.96	180.02

Notes to Adjustment:

(i). Adjustments for Audit Qualifications: None

(ii). Adjustments due to change in accounting policy/ prior period items/ other adjustments:

1 **Matters included in the Other Matter Paragraphs in the Independent Auditor's Report of Consolidated Financial Statements of Hy Tech Engineers Limited, which requires corrective adjustments in the Restated Consolidated Financial Information are as follows:**

For the year ended March 31, 2023

- The Audited Consolidated Financial Statements of the Group as at and for the year ended March 31, 2023, were prepared after consolidating the financial statements / financial information of two subsidiaries based on their respective unaudited financial statements. The Restated Consolidated Financial Information includes adjustments for consolidating financial statements / financial information of two subsidiaries based on their respective audited financial statements as at and for the year ended March 31, 2023.

Part B: Non- Adjusting Events

1 **Matters included in Other Legal and Regulatory requirements of the Independent Auditor's Report of Consolidated Financial Statements of Hy-Tech Engineers Limited, which does not requires corrective adjustments in the Restated Consolidated Financial Information are as follows:**

For the year ended March 31, 2024

- "(a) In our opinion, proper books of account as required by law maintained by the Group including relevant records relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books, except in relation to compliance with the requirement of audit trail, refer paragraph (b) below;
 - (b) Based on our examination which included test checks, the Holding company, have used accounting software at an application level for maintaining its books of accounts which has a feature of recording an audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail is not maintained for accounting software used at Nashik Division and also the Holding company has not enabled the feature of the audit trail log at the database layer to log direct transactional changes due to the present design of ERP.
- Further, during the course of performing our procedures, we did not notice any instance of the audit trail feature being tampered with.
- In case of the subsidiary Company incorporated in India, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.
- As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014, is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, on the preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024"

For the year ended March 31, 2025

- "(a) In our opinion, proper books of account as required by law maintained by the Group including relevant records relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books, except in relation to compliance with the requirement of audit trail, refer paragraph (b) below;
 - (b) As stated in Note 53 of the accompanying consolidated financial statements and based on our examination which included test checks, and that performed by the auditor of the subsidiary which is company incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding company, have used accounting software at an application level for maintaining its books of accounts which has a feature of recording an audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail is maintained for accounting software used at Nashik Division w.e.f. June 24, 2024. Also the Holding company has not enabled the feature of the audit trail log at the database layer to log direct transactional changes due to the present design of ERP. Further, during the course of performing our procedures, we did not notice any instance of the audit trail feature being tampered with. Except for the periods of previous financial year where the audit trail feature was not enabled for software at Nashik Division and at databases level, the Company has preserved the audit trail in accordance with statutory record retention requirements.
- In case of the subsidiary Company incorporated in India, the accounting software used by the Company for maintaining its books of accounts for the financial year ended March 31, 2025 has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in software. The Subsidiary Company has also ensured preservation of audit trail as per the statutory requirements for record retention.

Part C: Material re-grouping/reclassification.

Appropriate regroupings have been made in the Restated Statement of Consolidated Assets and Liabilities, Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statement of Cash Flows, wherever required, by reclassification of the corresponding items on income, expenses, assets, liabilities and cashflows, in order to bring them in line with the accounting policies and classification as per the Consolidated Financial Statement of the Group for the year ended March 31, 2025 prepared in accordance with Schedule III of the Act, requirement of Ind AS-1- 'Presentation of financial statements' and other applicable Ind AS principles and the requirements of the SEBI ICDR requirements, as amended.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

For and on behalf of the Board of Directors of
Hy-Tech Engineers Limited

Atul Shah
Partner
Membership No. : 039569
Place: Mumbai
Date: July 22, 2025

Hemant T. Mondkar
Chairman & Managing Director
(DIN : 00060995)
Place: Thane
Date: July 22, 2025

Surekha H. Mondkar
Executive Director
(DIN : 00040920)

Sunil Satwani
Chief Financial Officer

Sai Ranadive
Company Secretary
Membership No. : A67683

OTHER FINANCIAL INFORMATION

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Net profit for the year (A) (₹ in millions)	196.19	115.96	180.02
Weighted average number of Equity Shares outstanding during the year (in number)	83,531,840	83,531,840	83,531,840
Weighted average number of Equity Shares outstanding during the year for basic EPS* (in number) (B)	83,531,840	83,531,840	83,531,840
Weighted average number of Equity Shares outstanding during the year for diluted EPS* (C)	83,531,840	83,531,840	83,531,840
Basic Earnings per equity share (in ₹) (D = A/B) (i)	2.35	1.39	2.16
Diluted Earnings per equity share (in ₹) (E = A/C)(ii)	2.35	1.39	2.16
Total equity (F) (₹ in millions)	1,012.51	822.16	713.03
Net profit for the year (G) (₹ in millions)	196.19	115.96	180.02
Return on net worth (H = G/F) (iii)	21.39%	15.11%	28.80%
Total equity (I) (₹ in millions)	1,012.51	822.16	713.03
Number of Equity Shares outstanding as at year end (J)	83,531,840	83,531,840	83,531,840
Net Asset Value per Equity Share (in ₹) (K = I/J) (in ₹) (iv)	12.12	9.84	8.53
Net Profit for the year (L) (₹ in millions)	196.19	115.96	180.02
Total tax expense (M) (₹ in millions)	65.75	42.07	61.80
Finance costs (N) (₹ in millions)	48.12	28.74	46.30
Depreciation and amortization expense (O) (₹ in millions)	101.07	73.39	61.23
Other Income (P)	53.25	34.65	36.08
EBITDA (Q = L+M+N+O-P) (₹ in millions) (v)	357.88	225.51	313.27
Total income (₹ in millions) (R)	1,667.07	1,411.73	1,369.44
EBITDA to Total Income (S = Q/R)	0.21	0.15	0.22

Notes:

1. Basic Earnings per Equity Share (₹) = Net Profit or Loss as restated for the year attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the period/year.
2. Diluted Earnings per Equity Share (₹) = Net Profit or Loss as restated for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares outstanding during the period/year.
3. Return on Net Worth (%) = Net Profit after Tax to the Owner of the Company for the year, as restated divided by Net Worth (Share Capital + Other Equity-Capital Reserve) at the end of the year.
4. Net Asset Value (NAV) per Equity Share (₹) = Net Worth excluding minority interest as restated at the end of the year divided by weighted average number of equity shares outstanding as at period/year end.
5. Earnings per shares (EPS) calculation is in accordance with the notified Indian Accounting Standard (Ind AS) 33 'Earnings per share' prescribed by the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
6. EBITDA stands for Earnings before Interest, Taxes, Depreciation, and Amortization. EBITDA is calculated as Net Profit or Loss for the period/year plus total tax expenses, depreciation and amortization expenses, and finance costs.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at March 31, 2025 derived from our Restated Consolidated Financial Information and as adjusted for the Offer. This table should be read in conjunction with "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Restated Consolidated Financial Information" beginning on pages 32, 286 and 227, respectively

(in ₹ million, except for ratios)

Particulars	Pre-Offer as at March 31, 2025	As adjusted for the Offer#
Total equity		
Equity share capital*	417.66	[●]
Other equity*	594.85	[●]
Total Equity (A)	1,012.51	[●]
Current borrowings*	172.89	[●]
Non-current borrowings (including current maturity *)	262.36	[●]
Total Borrowings (B)	435.25	[●]
Total (A+B)	1,447.76	[●]
Non-current borrowings (including current maturity) / Total Equity ratio	0.26	[●]
Total borrowings/ Total equity ratio	0.43	[●]

* These terms shall carry the meaning as per Schedule III of the Companies Act 2013 (as amended).

The corresponding post Offer capitalization data in the above table is not determinable at this stage pending the completion of the book building process for the Offer and hence, the same have not been provided in this statement.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our Restated Consolidated Financial Information included herein for the Fiscal 2025, 2024 and 2023, including the related notes, schedules and annexures on page 227. Our Restated Consolidated Financial Information has been prepared in accordance with Ind AS, Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note. Ind AS differs in certain material respects from Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which our financial statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS. As a result, the Restated Consolidated Financial Information may not be comparable to our historical financial statements.

We have included various operational and financial performance indicators in this Draft Red Herring Prospectus, many of which may not be derived from our Restated Consolidated Financial Information or otherwise be subject to an examination, audit or review by our auditors or any other expert. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Consolidated Financial Information and other information relating to our business and operations included in this Draft Red Herring Prospectus. This discussion and analysis contain forward-looking statements that reflect our current views with respect to future events and our financial performance, which are subject to numerous risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements. You should also read "Forward-Looking Statements" and "Risk Factors" on pages 22 and 32, respectively, which discuss a number of factors and contingencies that could affect our business, financial condition and results of operations. Our Financial Year ends on March 31 of each year and accordingly, references to Financial Year, are to the 12-month period ended March 31 of the relevant year and for the six-month period of April to September 2024. Unless the context otherwise requires, in this section, references to "we", "us", "our", "the Company" or "our Company" refers to HY-Tech Engineers Limited.

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Industry Research Report on Hydraulic Fittings Industry" dated September 2025 ("CARE Report"), prepared and issued by CARE Analytics and Advisory Private Limited ("CARE") and exclusively commissioned and paid for by us in connection with the Offer. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factor 36 – Certain sections of this Draft Red Herring Prospectus disclose information from the CARE Report which has been prepared exclusively for the Offer and commissioned by our Company and paid for by our Company exclusively in connection with the Offer, and any reliance on such information for making an investment decision in the Offer is subject to inherent risks." on page 56. Also see, "Currency Conventions, Currency of Presentation, Use of Financial Information, Industry and Market Data" on page 19.

Overview

For details in relation to our business overview, competitive strengths, business strategies and business operations, please see "Our Business" beginning on page 177.

Significant Factors Affecting Our Financial Conditions and Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factors" beginning on page 32 of this Draft Red Herring Prospectus. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations.

Revenue Mix Across Geographies and Customer Segments

Our financial performance is also influenced by the composition of our revenue across geographies and customer categories. We derive revenues from both domestic and international markets, with exports contributing approximately 28.30% and domestic sales contributing 71.71% of our revenue in Fiscal 2025. Similarly, sales to

direct customers including OEMs constitute approximately 88.61% of our total revenue in Fiscal 2025, while the balance is derived from distributors. Variations in this mix can influence our realisations, working capital cycle, and margin profile. Export contracts may carry higher margins but are subject to currency risk and stricter delivery and quality compliance. On the other hand, domestic sales may offer lower logistics costs and faster turnaround. Shifts in this composition due to global demand, geopolitical changes, or customer diversification—can have a bearing on our operating metrics and risk profile.

Sectoral Demand Cycles and Customer Industry Performance

We derive a significant share of our revenue from supplying engineered components, primarily hydraulic fittings and assemblies, to OEMs and distributors catering to construction equipment, earthmoving machinery, agricultural machinery, and industrial hydraulics sectors. Consequently, our performance is closely linked to the investment and replacement cycles, regulatory frameworks, and infrastructure outlays in these industries. A slowdown in capital expenditure or equipment demand in these sectors due to economic downturns, regulatory constraints, or global supply chain disruptions—could adversely impact order volumes, plant utilisation, and revenue visibility.

Dependency on Key Customers

Our business model is built on longstanding, relationship-driven contracts with select domestic and international customers. For Fiscal 2025, approximately 26.00% of our revenues were attributable to our top five customers. While this enables operational stability and backward integration, it also exposes us to concentration risk. A loss of business from any of these customers due to insourcing strategies, cost rationalisation, change in vendor qualification norms, or shift in component design could materially affect our revenue and profitability. Expanding our customer base, product applications, and end-user industries remains a key strategic priority.

Input Cost Volatility and Raw Material Procurement

Raw materials, primarily black steel and mild steel, constitute a significant portion of our cost of production. We also use small quantities of other metals such as brass, though their contribution is not material. Prices of these inputs are subject to fluctuations driven by global supply-demand dynamics, trade policies, and currency movements. While we typically include price variation clauses in our customer contracts, negotiation lags or limited pass-throughs particularly in export agreements may occur. As a result, input price volatility can impact our gross margins and working capital requirements.

We generate a material portion of our revenues from exports to global OEMs and distributors in Europe and North America, denominated primarily in USD and EUR. Adverse fluctuations in currency exchange rates may impact our receivables, pricing competitiveness, and overall profitability. As we do not engage in active hedging or offsetting imports, our foreign currency exposure remains unhedged, making our margins susceptible to volatility in exchange rates. Accordingly, effective management of forex risk remains important to preserve profitability.

Operational Efficiency and Capacity Utilisation

Our operating leverage and cost structure are directly influenced by the level of capacity utilisation across our Manufacturing Facilities located in Maharashtra and Madhya Pradesh. Sub-optimal utilisation due to unanticipated demand variations, machine breakdowns, unplanned maintenance or shift inefficiencies can lead to under-absorption of fixed overheads and impact our EBITDA margins. We continue to invest in lean manufacturing initiatives, production line balancing, and preventive maintenance protocols to drive throughput and yield optimisation.

Execution of Capital Expenditure Plans

As part of our growth strategy, we have undertaken capital expenditure towards enhancing automation, increasing machining capacity, and integrating testing infrastructure to meet higher precision and quality standards. Timely implementation and commissioning of these investments are critical to avoiding cost overruns, bottlenecks, and delayed customer qualification. Our ability to manage these investments efficiently impacts not only future revenue scalability but also working capital deployment and asset turnover.

Compliance with Government Regulations and Industry Standards

Our business is subject to various regulatory requirements under environmental, labour, industrial safety, and export-import laws. In addition, we must adhere to stringent customer audit requirements, particularly for overseas accounts, including quality certifications (such as ISO/TS standards) and traceability norms. Any lapse in compliance, delay in statutory approvals (such as CTO/CTE under pollution control norms), or changes in regulatory framework (such as duties, labour codes, or emission standards) may increase our compliance costs or result in disruptions to operations or customer relationships.

Exposure to Uncertain Tariff Structures in Key Export Markets

Our business has material exposure to export markets, particularly to OEMs and distributors in North America and Europe. The tariff and trade policy regimes in these jurisdictions are subject to periodic changes driven by geopolitical developments, bilateral trade negotiations, and domestic policy shifts. Such changes may include the imposition of new or higher import duties, withdrawal of preferential trade access, or the introduction of non-tariff barriers such as technical compliance norms or documentation requirements.

Any adverse change in tariff structures or import policies whether specific to our product categories or part of broader trade measures—may affect the price competitiveness of our exports, impact customer ordering patterns, and exert pressure on our margins. Since such changes are largely beyond our control and may be introduced with limited advance notice, they pose an inherent risk to our pricing strategy and volume commitments.

We continuously monitor trade developments through industry networks and customer feedback, but remain exposed to the unpredictability of tariff regimes, which could materially impact our export performance and overall financial results.

Non-GAAP Measures

In evaluating our business, we consider and use certain non-GAAP financial measures and statistical information, which are not required by, or presented in accordance with, Ind AS or any other generally accepted accounting principles. These non-GAAP financial measures and statistical information are not a measurement of our financial performance or liquidity under Ind AS or any other generally accepted accounting principles and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS or any other generally accepted accounting principles. We compute and disclose such non-GAAP financial measures and statistical information as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of companies such as us. These non-GAAP financial measures and other statistical information may not be computed on the basis of any standard methodology that is applicable across the industry and, therefore, may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies.

Certain of our non-GAAP financial measures and statistical information (referred to as KPIs) are disclosed in “Basis for Offer Price – Key Performance Indicators (KPIs)” on page 123.

Significant Accounting Policies

3.1. Current and non-current classification

The Group classifies its assets and liabilities in the Restated Consolidated Statement of Assets and Liabilities as current or non-current based on their nature. An asset is treated as current if it meets any of the following criteria:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current if it:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other assets and liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

3.2. Functional and presentation of currency

The Restated Consolidated Financial Information are presented in Indian Rupees (₹), which is the Group's functional and presentation currency. All amounts have been rounded to the nearest million with two decimals, unless otherwise indicated.

3.3. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1: Unadjusted quoted price in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices that are observable for the asset or liability.

Level 3: Unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the Restated Consolidated Statement of Asset and Liabilities at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purpose using methods as prescribed in "Ind AS 113 Fair Value Measurement".

3.4. Use of estimates, assumptions and judgements

The preparation of these Restated Consolidated Financial Information is in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions in application of accounting policies that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of Restated Consolidated Financial Information and reported amounts of income and expenses for the periods presented. The Group based its assumptions and estimates on parameters available when the Restated Consolidated Financial Information were prepared. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Significant estimates and critical judgement in applying these accounting policies are described below:

3.4.1. Significant estimates

i) Impairment of non-financial assets (tangible and intangible)

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or Cash Generating Unit's (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining the fair value less costs to disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

ii) Defined benefit obligations

The cost of the defined benefit gratuity plan, other defined benefit plan and other post-employment plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, expected returns on plan assets and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, discount rate and return on planned assets are based on expected future inflation rates for India.

iii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of asset and liabilities cannot be measured based on quoted price in active markets since they are unquoted, their value is measured using valuation technique including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

iv) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Further, the Group also evaluates risk with respect to expected loss on account of loss in time value of money which is calculated using average cost of capital for relevant financial assets.

v) Income tax and deferred tax

Deferred tax assets are not recognised for unused tax losses as it is not probable that taxable profit will be available against which the losses can be utilised. Significant management judgement/estimate is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

vi) Provision for Inventories

Management reviews the inventory listing on a periodic basis. This review involves comparison of carrying value of aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the restated consolidated financial information for any obsolete slow-moving items and net realisable value. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

3.5. Property, Plant and Equipment and Depreciation

Recognition and measurement

Property, plant and equipment are stated at their cost of acquisition. Cost of an item of property, plant and equipment includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset.

Parts (major components) of an item of property, plant and equipment's having different useful lives are accounted as separate items of property, plant and equipment's.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance sheet. Advance paid towards the acquisition of PPE outstanding at each reporting date is classified as Capital Advances under "Other Non-Current Assets" and assets which are not ready for intended use as on the date of Financial Statement are disclosed as "Capital Work in Progress".

Depreciation and useful lives

Depreciation on the property, plant and equipment (other than capital work in progress) is provided on a written down value method (WDV) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013 or useful lives as determined based on internal technical evaluation. Depreciation for certain identified is computed on based on useful lives, determined based on internal technical evaluation as follows:

Type of asset	Useful lives estimated by the management (years)
Buildings	30 Years
Plant & Machinery	15 Years
Office equipment	3 – 6 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on

de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognised.

3.6. Leases

As per Ind AS 116 “Leases”, the determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. A lessee does not have the right to use an identified asset if, at inception of the contract, a lessor has a substantive right to substitute the asset throughout the period of use.

The Group accounts for the lease arrangement as follows, where the Group entity is the lessee:

The Group applies single recognition and measurement approach for all leases, except for short term leases and leases of low value assets. On the commencement of the lease, the Group, in its statement of asset and liabilities, recognize the right of use asset at cost and lease liability at present value of the lease payments to be made over the lease term.

Subsequently, the right of use asset is measured at cost less accumulated depreciation [calculated on straight line method] and any accumulated impairment loss. Lease liability are measured at amortized cost using the effective interest method. The lease payment made, are apportioned between the finance charge and the reduction of lease liability, and are recognised as expense in the Statement of Profit and Loss.

Lease deposits given are a financial asset and are measured at amortized cost under Ind AS 109 since it satisfies Solely Payment of Principal and Interest (SPPI) condition. The difference between the present value and the nominal value of deposit is considered as prepaid rent and recognised over the lease term. Unwinding of discount is treated as finance income and recognised in the Statement of Profit and Loss.

3.7. Intangible assets and amortisation

Recognition and measurement

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the Group and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortization and accumulated impairment loss if any.

Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.

Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

Amortization and useful lives

Computer software's are amortized in 3 years on Written Down Value (WDV). Amortization methods and useful lives are reviewed at each period and financial year end and adjusted prospectively.

In case of assets purchased during the period/year, amortization on such assets is calculated on pro-rata basis from the date of such addition.

3.8. Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal /external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of a) fair value of assets less cost of disposal and b) its value in use. Value in use is the present value of future cash flows expected to derive from an assets or Cash-Generating Unit (CGU).

Based on the assessment done at each balance sheet date, recognized impairment loss is further provided or reversed depending on changes in circumstances. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognized are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation / amortization had no impairment loss been recognized in earlier years.

3.9. Inventories

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Costs are determined on weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of work-in-progress and finished goods are determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.10. Revenue recognition

The Group recognizes revenue from contracts with the customers based on five step model defined in Ind AS 115. The Group satisfies a performance obligation and recognizes revenue over time, if any of the conditions given in Ind AS 115 satisfies; else revenue is recognized at point in time at which the performance obligation is satisfied.

Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenues are recognized to the extent it is probable that the economic benefits will flow to the Group and the revenue & costs, if applicable, can be measured reliably.

(a) Performance Obligation

The Group derives its revenue from selling products in the form of Steel Fittings.

The Group is required to assess each of its contracts with customers to determine whether performance obligation is satisfied over time or at a point in time in order to determine the appropriate method for recognizing of revenue. The Group has assessed that based on the contracts entered into with the customers and the provisions of relevant laws and regulations, the Group recognizes the revenue over time only if it satisfies the criteria given in IND AS 115. Where the criteria as per IND AS 115 are not met, revenue is recognized at a point in time.

The Group satisfies its performance obligation when the control over the goods is transferred to the customer or benefits of the services being provided is received and consumed by the customer.

In cases where the Group determines that performance obligation is satisfied at a point in time, revenue is recognized when the control over the goods is transferred to the customer or benefits of the services being provided is received and consumed by the customer. The Group considers that the customer has obtained the control of promised goods or services; when the goods have been dispatched/delivered to the destination as per terms of the contract or services has been provided and consumed by the customer as per agreed terms and the Group has unconditional right to consideration.

(b) Transaction Price

The Group is required to determine the transaction price in respect of each of its contracts with customers. Contract with customers for sale of goods or services are on a fixed price.

For allocating the transaction price, the Group measured the revenue in respect of each performance obligation of contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In making judgment about the standalone selling price, the Group also assesses the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

(c) Discounts, Rebates & Incentive to Customers

The Group accounts for volume discounts, rebates and pricing incentives to customer as a reduction of revenue based on the ratable allocation of the discounts / rebates to each of the underlying performance obligation that corresponds to the progress made by the customer towards earning that discounts, rebates or incentive. The Group also recognizes the liability based on the past performance of the customers fulfilling the criteria to get the discounts, rebates or incentive and the future outflow of the same is probable. If it is probable that the criteria for the discounts will not be met or if the amounts thereof cannot be estimated reliably, then the discount is not recognised until the payment is probable and the amount can be estimated reliably. The Group accounts for discounts, rebates and pricing incentives in the year of payment where customer qualifies for the same and wherein provision was not made due to Group's inability to make reliable estimates based on the available data at reporting date.

(d) Export incentives

Income from export incentives is accounted for on export of goods if the entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

(e) Tooling income

Revenue from tooling income is recognized at the point in time when the control of the die is transferred, which is generally on receipt of customer's approval (referred to as production parts approval process or PPAP) as per the terms of the contract.

(f) Sale of services

Revenue from sale of services is in nature of job work on customer product which normally takes 1 – 4 days for completion and accordingly, revenue is recognized when products are sent to customer on which job work is completed. The normal credit period is 60 days.

(g) Trade Receivables

A receivable represents the group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

3.11. Recognition of Dividend Income and Interest Income

(a) Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

(b) Dividends

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

(c) Other income

Other incomes are accounted on accrual basis, except interest on delayed payment by debtors and liquidated damages which are accounted on acceptance of the Group's claim.

3.12. Government Grants and Subsidies

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Group recognizes as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in Statement of Profit and Loss in the period in which they become receivable.

Government Grant relating to asset is reduced from the carrying value of the relevant assets. Such grant is then gets recognized in the Statement of Profit and Loss over the useful life of the depreciable asset by way of a reduced depreciation charge.

Government grants in the nature of export incentives are accounted for in the period of export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

3.13. Foreign currency transaction

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary items are translated at closing exchange rate. Exchange difference arising on settlement or translation of foreign currency monetary items are recognised as income or expense in the year in which they arise.

Foreign currency non-monetary items which are carried at historical cost are reported using the exchange rate at the date of transactions.

3.14. Employee benefits

- Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized as an expense at the undiscounted amount in the Restated Consolidated Statement of Profit and Loss of the year in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

- Post-employment benefits & other long-term benefits

a. Defined contribution plan

The defined contribution plan is a post-employment benefit plan under which the Group contributes fixed contribution to a Government Administered Fund and will have no obligation to pay further contribution. The Group's defined contribution plan comprises of Provident Fund, Labor Welfare Fund Employee State Insurance Scheme, National Pension Scheme, and Employee Pension Scheme. The Group's contribution to defined contribution plans are recognized in the Restated Consolidated Statement of Profit and Loss in the period in which the employee renders the related service.

b. Defined benefit plans

The Group has defined benefit plans comprising of gratuity and other long-term benefits in the form of leave benefits. The Group's obligation towards gratuity liability is unfunded. The present value of the defined benefit obligations and other long term employee benefits is determined based on actuarial valuation using the projected

unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

For gratuity plan, re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the post-employment benefits liability) are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Gains or losses on the curtailment or settlement of defined benefit plan are recognized when the curtailment or settlement occurs.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions for employee benefit plan other than gratuity are recognized immediately in the Restated Consolidated Statement of Profit and Loss as income or expense.

- Compensated absences

A liability is recognised for benefits accruing to employees in respect of privilege leave in the period the related service is rendered at the amount benefits expected to be paid in exchange for that service.

3.15. Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Ancillary cost of borrowings in respect of loans not disbursed are carried forward and accounted as borrowing cost in the year of disbursement of loan. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

3.16. Taxes on income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e., in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year and any adjustments to the tax payable or receivable in respect of previous years as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis or simultaneously.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Group has unused tax losses and unused tax credits, deferred tax assets are recognised only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

At each reporting date, the Group re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit allows deferred tax assets to be recovered.

3.17. Cash & cash equivalent

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

3.18. Statement of cash flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

3.19. Provisions, contingent liabilities, contingent assets

A provision is recognised when the Group has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

A contingent asset is not recognised but disclosed in the Restated Consolidated Ind AS Financial Information where an inflow of economic benefit is probable.

Our capital commitments were comprised primarily of commitment given/ purchase orders issued for purchase of property, plant and equipment (net of advance given and material already supplied).

3.20. Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the period/year. The weighted average numbers of shares also include fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.21. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

3.22. Non-Current Assets held for sale.

Non-current assets classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

3.23. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Since, trade receivables do not contain significant financing component they are measured at transaction price.

3.23.1. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the ‘Reserve for equity instruments through other comprehensive income’. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or

- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee. Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model based on 'simplified approach' for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit and loss.

For Trade Receivables, the Group uses the simplified approach permitted by Ind AS 109 Financial Instruments which requires expected life time losses to be recognized from initial recognition of receivables.

De-recognition of financial asset

The Group de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety (e.g., when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive

income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.23.2. Financial liability and equity instrument

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for de-recognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in

which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Compound financial instruments

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Reclassification

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the

reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in profit or loss.

3.24. Dividend Payable

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Holding Company's Board of Directors

3.25. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

As at March 31, 2025, MCA has not notified any new Standard or amended any existing standard which are applicable to the Company.

Changes In Accounting Policies

There have been no changes in our accounting policies during Fiscal 2025, 2024 and 2023.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Total Income

Our total income comprises our revenue from operations and other income.

Revenue from Operations

Our revenue from operations is primarily derived from the sale of hydraulic equipment. We manufacture and offer a diverse portfolio of over 10,000 Stock Keeping Units (SKUs), which find application across a wide range of industries including construction, agriculture, automotive, injection moulding, and other hydraulic systems.

We generate revenue by supplying these products to various Original Equipment Manufacturers (OEMs) operating within these sectors. Product pricing is determined based on multiple factors such as the criticality of the application, material composition, and technical specifications.

Our reported revenue is presented net of applicable taxes.

Other Income

Other income primarily comprises of (i) interest income from bank and others; (ii) Net gain on fair valuation of financial instruments (FVTPL); (iii) Gain on Sale of Investment; (iv) Dividend income from Investments; (v) Foreign Exchange Gain (Net); (vi) Gain on sale of property, plant and equipment (Net); (vii) Reversal of Provisions and (viii) miscellaneous income.

Expenses

Our expenses comprise (i) cost of raw materials and components consumed; (ii) changes in inventories of finished goods and work in progress; (iii) manufacturing expenses; (iv) employee benefits expenses; (v) finance costs; (vi) depreciation and amortization expenses; and (vii) other expenses.

Cost of raw materials and components consumed

Our primary raw material is MS Steel rods which we procure from domestic open market. During fiscal 2025, 2024 and 2023 calculated as a percentage of total revenue, cost of raw material and component consumed was 35.50%, 35.73% and 34.70% respectively.

Changes in Inventories of Finished Goods and Work-in-Progress

Changes in inventories of finished goods and work in progress represents the difference between the opening and closing stock of finished goods and work in progress during the financial year.

Manufacturing Expenses

Manufacturing expenses comprises of (i) Consumption of stores, spare parts and loose tools; (ii) Chemical, oil and lubricant; (iii) Consumption of packing materials; (iv) Job work charges; (v) Power and fuel; (vi) Contract labour charges; (vii) Repairs and maintenance – Machinery; (viii) Testing and inspection charges; (ix) Measurement instrument; and (x) Factory expenses.

During fiscal 2025, 2024 and 2023 calculated as a percentage of total revenue, manufacturing expenses were 23.12%, 24.32% and 22.27% respectively. The various components of our manufacturing expenses are as follows-

Particulars	For the financial year ended March 31, 2025	% of total expenses	For the financial year ended March 31, 2024	% of total expenses	For the financial year ended March 31, 2023	% of total expenses
Consumption of stores, spare parts and loose tools	34.03	8.83%	32.04	9.33%	33.52	10.99%
Chemical, oil and lubricant	31.06	8.06%	25.70	7.49%	28.07	9.20%
Consumption of packing materials	28.74	7.46%	24.59	7.16%	22.82	7.48%
Job work charges	126.51	32.83%	110.01	32.05%	93.36	30.61%
Power and fuel	60.85	15.79%	52.45	15.28%	45.30	14.85%
Contract labour charges	77.03	19.99%	70.25	20.46%	58.17	19.07%
Repairs and maintenance - Machinery	18.68	4.85%	16.89	4.92%	13.60	4.46%
Testing and inspection charges	1.25	0.32%	0.99	0.29%	0.93	0.30%
Measurement instrument	3.50	0.91%	6.38	1.86%	4.31	1.41%
Factory expenses	3.70	0.96%	3.97	1.16%	4.94	1.62%
Total expenses	385.35	100.00%	343.27	100.00%	305.02	100.00%

Employee Benefits Expense

Employee benefits expenses primarily comprise of (i) salaries, wages and bonus; (ii) contribution to gratuity, provident and other funds; and (iii) staff welfare expenses.

During fiscal 2025, 2024 and 2023 calculated as a percentage of total revenue, employee costs were 12.19%, 13.63% and 12.04% respectively.

Finance Costs

Finance cost primarily comprises of (i) interest to banks; (ii) interest to others; and (iii) Foreign currency loan exchange loss.

During fiscal 2025, 2024 and 2023 calculated as a percentage of total revenue, finance costs were 2.89%, 2.04% and 3.38% respectively

Depreciation and Amortization Expense

Depreciation and amortization expenses comprises (i) depreciation of property, plant and equipment; and (ii) amortisation of intangible assets.

During fiscal 2025, 2024 and 2023 calculated as a percentage of total revenue, Depreciation and Amortization costs were 6.06%, 5.20% and 4.47% respectively.

Other Expenses

Other expenses primarily comprises (i) rent, rates and taxes; (ii) repairs and maintenance; (iii) Travelling and conveyance; (iv) Printing and stationery; (v) Communication expenses; (vi) Vehicle expenses; (vii) insurance; (viii) Export expenses; (ix) Transport outward; (x) Commission on sales; (xi) Security charges; (xii) Payment to Director; (xiii) Legal and professional fees; (xiv) rates & taxes; (xv) Subscription and membership fees; (xvi) CSR expenses; (xvii) Auditors remuneration; (xviii) Bad Debts Written Off; (xix) Investment Written Off; (xx) Advances given written off; (xxi) Office expenses; (xxii) Provision for Advances given; (xxiii) Bank Charges; (xxiv) Provision for expected credit losses (Net); (xxv) Provision for impairment of Investments; (xxvi) Provision for doubtful debts; (xxvii) Sundry balances written off (Net); (xxviii) Net Loss on fair valuation of financial instruments (FVFPL); and (xxix) Miscellaneous expenses.

During fiscal 2025, 2024 and 2023 calculated as a percentage of total revenue, other expenses were 6.56%, 8.41% and 6.25% respectively

Tax expenses

Our tax expense for the period represents the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities and taxes related to earlier periods.

Discussion on Results of Operations

The following tables sets forth select financial data from our restated consolidated statement of profit and loss for the financial years 2025, 2024 and 2023, the components of which are also expressed as a percentage of total income for such years:

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	₹ in Million	% of Total Income	₹ in Million	% of Total Income	₹ in Million	% of Total Income
Income						
Revenue from operations	1,613.82	96.81	1,377.08	97.55	1,333.36	97.37
Other income	53.25	3.19	34.65	2.45	36.08	2.63
Total income	1,667.07	100.00	1,411.73	100.00	1,369.44	100.00
Expenditure						
Cost of materials consumed	591.77	35.50	504.36	35.73	475.21	34.70
Changes in inventories of finished goods and work- in-progress	-33.75	-2.02	-7.27	-0.51	-10.63	-0.78
Manufacturing Expenses	385.35	23.12	343.27	24.32	305.02	22.27
Employee benefit expenses	203.23	12.19	192.43	13.63	164.87	12.04
Finance Cost	48.12	2.89	28.74	2.04	46.30	3.38
Depreciation and Amortization	101.07	6.06	73.39	5.20	61.23	4.47
Other Expenses	109.36	6.56	118.78	8.41	85.62	6.25
Total expenses	1,405.15	84.29	1,253.70	88.80	1,127.62	82.36

Less: Exceptional Item	-	0.00	-	0.00	-	0.00
Less: Share in net loss of associate	-	0.00	-	0.00	-	0.00
Profit before tax	261.94	15.71	158.03	11.19	241.82	17.66
Total tax expense	65.75	3.94	42.07	2.98	61.80	4.51
Net Profit for the year	196.19	11.77	115.96	8.21	180.02	13.15

Fiscal 2025 compared with Fiscal 2024

Total Income

Total income increased by ₹255.34 million or 18.09%, from ₹1,411.73 million in Fiscal 2024 to ₹1,667.07 million in Fiscal 2025. The growth was primarily driven by an increase in revenue from operations, which rose by ₹236.74 million, supported by strong growth in domestic sales and improved capacity utilisation. Additionally, other income increased by ₹18.60 million during the year, led by one-time gains on sale of land and higher interest income, further contributing to the overall growth in total income.

Revenue from Operations

Revenue from operations increased by ₹236.74 million, or 17.19%, from ₹1,377.08 million in Fiscal 2024 to ₹1,613.82 million in Fiscal 2025. This growth was primarily attributable to higher product sales, with domestic sales increasing from ₹864.45 million in Fiscal 2024 to ₹1,095.72 million in Fiscal 2025, reflecting expanded demand from both OEMs and distributors. Export sales remained broadly stable at ₹456.32 million in Fiscal 2024 and ₹456.70 million in Fiscal 2025. The increase in domestic volumes was driven by deeper customer engagement and addition of new customers in priority sectors. The growth in domestic market in Fiscal 2025 is as follows:

(₹ in million)				
Distribution Channel	Market	Fiscal 2025	Fiscal 2024	% of growth
Direct Customer	Domestic	1,022.25	846.22	20.80%
Distributor	Domestic	134.87	74.54	80.93%
Grand Total		1,157.12	920.76	25.67%

Other Income

Other income increased by ₹18.60 million or 53.68%, from ₹34.65 million in Fiscal 2024 to ₹53.25 million in Fiscal 2025. The increase was primarily driven by a significant gain on sale of property, plant and equipment amounting to ₹26.88 million in Fiscal 2025 as compared to ₹1.85 million in the previous year indicating a one-time monetization of fixed assets. Additionally, interest income from banks and others rose to ₹12.48 million in Fiscal 2025 from ₹5.94 million in Fiscal 2024, supported by improved surplus deployment. Foreign exchange gain also increased modestly to ₹9.92 million in Fiscal 2025 from ₹6.10 million in Fiscal 2024. These gains were partially offset by the absence of reversals of provisions (such as impairment of investments or doubtful debts), which contributed ₹11.02 million in Fiscal 2024 but were nil in Fiscal 2025. The overall increase in other income was therefore primarily attributable to the one-time gain on sale of assets and increased interest accruals.

Total Expenditure

Total expenses increased by ₹151.44 million, or 12.08%, from ₹1,253.70 million in Fiscal 2024 to ₹1,405.14 million in Fiscal 2025. Total expenses as a percentage of total income declined from 88.81% in Fiscal 2024 to 84.29% in Fiscal 2025, reflecting improved operating leverage and better absorption of fixed costs on account of higher revenues.

The increase in overall expenditure was primarily driven by a ₹87.41 million in Fiscal 2025 due to rise in the cost of materials consumed, attributable to higher production volumes and input price variations. Manufacturing expenses increased by ₹42.08 million in Fiscal 2025, largely on account of higher job work charges, increased power and fuel consumption, and plant-related overheads in line with operational scale-up. Employee benefit expenses rose by ₹10.80 million in Fiscal 2025, primarily due to additions to the workforce and routine annual

wage adjustments. Depreciation and amortization expenses increased by ₹27.68 million in Fiscal 2025, following capital expenditure incurred for capacity enhancement during the year. Finance costs also rose by ₹19.38 million in Fiscal 2025, reflecting higher working capital utilization. These increases were partially offset by a reduction in other expenses by ₹9.42 million in Fiscal 2025, mainly due to the absence of non-recurring items such as bad debt write-offs and investment impairments recorded in the previous year. Additionally, change in inventory contributed ₹26.48 million in Fiscal 2025, driven by a build-up in closing stock of work-in-progress and finished goods in anticipation of upcoming customer dispatches.

Cost of Materials Consumed

Cost of raw materials and components consumed increased by ₹87.41 million, or 17.33%, to ₹591.77 million in Fiscal 2025 from ₹504.36 million in Fiscal 2024. This increase is directly correlated with the 17.19% growth in revenue from operations during the year, reflecting a scale-up in production to meet higher order volumes. Purchases of raw materials rose significantly to ₹614.95 million in Fiscal 2025 from ₹474.67 million in the previous year, indicating increased input requirements in line with expanded manufacturing output. Additionally, a higher year-end inventory level from ₹55.45 million in Fiscal 2024 to ₹78.63 million in Fiscal 2025 contributed to the reported consumption, as inventory accumulation was undertaken to support anticipated dispatches. These trends collectively reflect a ramp-up in production activity aligned with business growth and improved capacity utilization.

Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

Changes in inventories of finished goods and work-in-progress amounted to ₹(33.75) million in Fiscal 2025 as compared to ₹(7.27) million in Fiscal 2024. This was primarily due to an increase in closing inventory levels, which rose to ₹188.49 million in Fiscal 2025 from ₹154.74 million in Fiscal 2024. The buildup was driven by higher volumes of work-in-progress inventory, which increased to ₹98.58 million in Fiscal 2025 from ₹87.95 million in Fiscal 2024, and finished goods inventory, which increased to ₹89.91 million in Fiscal 2025 from ₹66.79 million in Fiscal 2024, reflecting ongoing production and anticipated dispatches for customer orders in the subsequent period.

Manufacturing Expenses

Manufacturing expenses increased by ₹42.08 million or 12.26%, from ₹343.27 million in Fiscal 2024 to ₹385.35 million in Fiscal 2025. As a percentage of total income, manufacturing expenses declined from 24.32% in Fiscal 2024 to 23.12% in Fiscal 2025, indicating improved cost absorption on higher revenue base. The increase in absolute terms was primarily driven by a ₹16.50 million in Fiscal 2025 rise in job work charges (from ₹110.01 million to ₹126.51 million), reflecting partial outsourcing of machining activities to manage capacity and lead times. Power and fuel expenses increased by ₹8.40 million in Fiscal 2025 (from ₹52.45 million to ₹60.85 million), owing to higher production volumes and elevated energy rates. Additional cost escalations were observed in contract labour charges (up by ₹6.78 million), packing materials (up by ₹4.15 million), and chemicals, oils, and lubricants (up by ₹5.36 million), consistent with the overall operational ramp-up to support increased order execution. The various components of our manufacturing expenses are as follows:

Particulars	For the financial year ended March 31, 2025	% of total expenses	For the financial year ended March 31, 2024	% of total expenses
Consumption of stores, spare parts and loose tools	34.03	8.83%	32.04	9.33%
Chemical, oil and lubricant	31.06	8.06%	25.70	7.49%
Consumption of packing materials	28.74	7.46%	24.59	7.16%
Job work charges	126.51	32.83%	110.01	32.05%
Power and fuel	60.85	15.79%	52.45	15.28%
Contract labour charges	77.03	19.99%	70.25	20.46%
Repairs and maintenance - Machinery	18.68	4.85%	16.89	4.92%
Testing and inspection charges	1.25	0.32%	0.99	0.29%
Measurement instrument	3.50	0.91%	6.38	1.86%
Factory expenses	3.70	0.96%	3.97	1.16%
Total expenses	385.35	100.00%	343.27	100.00%

Employee Benefits Expense

Employee benefit expenses increased by ₹10.80 million or 5.61%, from ₹192.43 million in Fiscal 2024 to ₹203.23 million in Fiscal 2025. The increase was primarily on account of higher salaries, wages and bonus, which rose by ₹5.95 million from ₹168.64 million in Fiscal 2024 to ₹174.59 million in Fiscal 2025, as well as an increase in staff welfare expenses by ₹3.12 million. Additionally, contributions to provident and other funds rose by ₹0.88 million, and gratuity expense increased by ₹0.85 million. These increases reflect the impact of annual wage revisions, addition of operational staff, and statutory benefit accruals. The various components of our employee benefit expenses are as follows-

Particulars	For the financial year ended March 31, 2025	% of total employee cost	For the financial year ended March 31, 2024	% of total employee cost
Salaries, wages and bonus	174.59	85.91%	168.64	87.64%
Contributions to Gratuity, provident and other funds	15.06	7.41%	13.33	6.93%
Staff welfare expenses	13.58	6.68%	10.46	5.44%
Total employee cost	203.23	100.00%	192.43	100.00%

Finance Costs

Finance costs increased by ₹19.38 million or 67.43%, from ₹28.74 million in Fiscal 2024 to ₹48.12 million in Fiscal 2025. This increase was primarily due to higher interest expenses on bank borrowings, which rose from ₹21.87 million in Fiscal 2024 to ₹38.59 million in Fiscal 2025. The rise in interest cost corresponds with an increase in working capital utilization and term loans availed during the year. As per the balance sheet, cash credit borrowings increased to ₹172.89 million as on March 31, 2025 from ₹171.09 million as on March 31, 2024, while long-term secured borrowings increased to ₹222.36 million from ₹197.29 million during the same period. Additionally, a foreign currency loan exchange loss of ₹1.86 million was incurred during the year, as compared to ₹0.05 million in the previous fiscal.

Depreciation and Amortization Expense

Depreciation and amortization expense increased by ₹27.68 million or 37.72%, from ₹73.39 million in Fiscal 2024 to ₹101.07 million in Fiscal 2025. This increase is primarily due to gross capital additions of ₹197.73 million made during the year, notably in plant and machinery, dies, and other production-supporting infrastructure. These additions were undertaken to enhance production capacity at the company's facilities. The increase was partially offset by disposals of ₹31.44 million. As a result, the net carrying amount of property, plant and equipment rose from ₹557.69 million as of March 31, 2024, to ₹641.04 million as of March 31, 2025.

Other Expenses

Other expenses decreased by ₹9.42 million or 7.93%, from ₹118.78 million in Fiscal 2024 to ₹109.36 million in Fiscal 2025. The decrease was primarily due to the absence of bad debts written off of ₹16.03 million and investment write-offs of ₹4.00 million, which were incurred in the previous year. This reduction was partially offset by increases in legal and professional fees from ₹13.95 million to ₹17.28 million, commission on sales from ₹14.07 million to ₹17.05 million, and transport outward expenses from ₹14.85 million to ₹18.17 million. Excluding the one-off items, other expenses largely remained in line with operational growth.

Profit Before Tax

Profit before tax increased by ₹103.91 million or 65.75%, from ₹158.03 million in Fiscal 2024 to ₹261.94 million in Fiscal 2025, primarily driven by growth in revenues and improved operating leverage, notwithstanding the increase in finance and depreciation expenses. As a percentage of total income, PBT improved from 11.19% in Fiscal 2024 to 15.71% in Fiscal 2025, reflecting enhanced profitability on account of better cost absorption, stable input cost ratios, and disciplined overhead management.

Tax Expense

Total tax expense increased by ₹23.68 million or 56.29%, from ₹42.07 million in Fiscal 2024 to ₹65.75 million in Fiscal 2025, in line with the increase in taxable profits. The effective tax rate (calculated as total tax expense as a percentage of profit before tax) stood at 25.10% in Fiscal 2025, as compared to 26.62% in Fiscal 2024, reflecting a marginal decline due to variation in allowable deductions and timing differences under applicable tax laws.

Profit for the Year

Net profit increased by ₹80.23 million, from ₹115.96 million in Fiscal 2024 to ₹196.19 million in Fiscal 2025, with profit after tax (PAT) margin improving from 8.21% to 11.77%. The key contributors to this improvement are as follows:

Rationale for improvement in Profitability in Fiscal 2025

Operating Leverage:

Revenue from operations increased by ₹236.74 million (17.19%) year-on-year, while total expenses rose by ₹151.47 million (12.08%). This differential supported better absorption of fixed overheads, including depreciation (which increased by ₹27.68 million) and finance costs (which increased by ₹19.38 million), enabling expansion in operating margin.

Revenue Mix Contribution:

Domestic sales increased by ₹231.27 million, from ₹864.45 million in Fiscal 2024 to ₹1,095.72 million in Fiscal 2025, representing a 26.75% rise. Export revenue remained nearly flat at ₹456.70 million, compared to ₹456.32 million in the previous year. Higher domestic volumes particularly from OEMs and distributor channels contributed to improved plant utilization and scale efficiencies.

Stable Raw Material Cost Ratio:

Cost of materials consumed increased from ₹504.36 million in Fiscal 2024 to ₹591.77 million in Fiscal 2025 (up 17.33%), in line with revenue growth. As a percentage of total income, material cost remained stable at 35.73% in FY24 and 35.50% in FY25, indicating effective pricing strategies and cost containment amid input volatility.

Expense Optimization:

Other expenses declined from ₹118.78 million in Fiscal 2024 to ₹109.36 million in Fiscal 2025, primarily due to the absence of non-recurring charges such as bad debts of ₹16.03 million and investment write-offs of ₹4.00 million recorded in the previous year. Despite business scale-up, overheads remained within a controlled range.

Improved Cash Flow Management:

Operating cash flow stood at ₹170.16 million in Fiscal 2025, compared to ₹186.77 million in Fiscal 2024. Inventory increased by ₹33.55 million and trade receivables reduced by ₹42.68 million, indicating better receivables turnover and proactive inventory planning. Short-term borrowings remained largely stable (₹172.89 million vs ₹171.09 million), reflecting disciplined working capital management despite capex-related long-term borrowing increase of ₹25.31 million.

Fiscal 2024 compared with Fiscal 2023

Total Income

Total income increased by ₹42.29 million or 3.09%, from ₹1,369.44 million in Fiscal 2023 to ₹1,411.73 million in Fiscal 2024. The growth was primarily attributable to an increase in revenue from operations, supported by higher domestic sales and export incentives. The increase was partially offset by a marginal decline in other income during the year.

Revenue from Operations

Revenue from operations increased by ₹43.72 million, or 3.28%, from ₹1,333.36 million in Fiscal 2023 to ₹1,377.08 million in Fiscal 2024. This growth was primarily driven by higher product sales, with domestic revenue increasing from ₹817.90 million to ₹864.45 million, reflecting improved order flow from OEMs and expanding engagement with distributors. Export revenue remained stable, moving from ₹455.52 million in Fiscal 2023 to ₹456.32 million in Fiscal 2024, aided by steady demand from key overseas customers. Overall, revenue growth was modest, supported by incremental customer additions and broader sales volumes, though capacity utilization remained broadly stable year-over-year at approximately 70.00%.

Other Income

Other income decreased marginally by ₹1.43 million, or 3.96%, from ₹36.08 million in Fiscal 2023 to ₹34.65 million in Fiscal 2024, and remained largely stable over the period. Other Income for Fiscal 2023 was primarily attributable to a foreign exchange gain of ₹21.22 million, as compared to ₹6.10 million in Fiscal 2024. Interest income was broadly stable at ₹6.90 million in Fiscal 2023 and ₹5.94 million in Fiscal 2024. The decline in Fiscal 2024 was partially offset by a reversal of doubtful debts amounting to ₹11.02 million.

Total Expenditure

Total expenses increased by ₹126.08 million or 11.18%, from ₹1,127.62 million in Fiscal 2023 to ₹1,253.70 million in Fiscal 2024. As a percentage of total income, total expenses increased from 82.34% in Fiscal 2023 to 88.81% in Fiscal 2024, reflecting margin pressure due to higher input and operating costs. The increase was primarily driven by a rise in the cost of materials consumed, which increased by ₹29.15 million from ₹475.21 million to ₹504.36 million on account of higher procurement volumes and reduced year-end inventory levels. Manufacturing expenses rose by ₹38.25 million to ₹343.27 million, led by increased job work charges and higher energy costs. Employee benefit expenses increased by ₹27.56 million to ₹192.43 million, primarily due to wage revisions and headcount expansion to support capacity ramp-up. Depreciation and amortization expense rose by ₹12.16 million to ₹73.39 million due to capital additions, while other expenses increased by ₹33.16 million, mainly on account of one-time charges such as bad debts and investment write-offs. These increases were partially offset by a reduction in finance costs of ₹17.56 million, attributed to the absence of foreign exchange loss and lower interest outgo during the year.

Cost of Materials Consumed

Cost of raw materials and components consumed increased by ₹29.15 million or 6.13%, to ₹504.36 million in Fiscal 2024 from ₹475.21 million in Fiscal 2023. This increase was primarily attributable to higher procurement volumes, with purchases rising from ₹465.28 million in Fiscal 2023 to ₹474.67 million in Fiscal 2024, in line with the growth in revenue from operations. Additionally, a reduction in closing inventory from ₹85.14 million in Fiscal 2023 to ₹55.45 million in Fiscal 2024 resulted in a higher reported consumption for the year. The overall increase in raw material costs is reflective of the ramp-up in manufacturing activity to support increased order execution and incremental growth in sales.

Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade

Changes in inventories of finished goods and work-in-progress amounted to ₹(7.27) million in Fiscal 2024 as compared to ₹(10.63) million in Fiscal 2023. The relatively lower change was due to a smaller increase in closing inventory levels, which rose to ₹154.74 million in Fiscal 2024 from ₹147.47 million in Fiscal 2023. Within this, finished goods inventory decreased from ₹75.57 million in Fiscal 2023 to ₹66.79 million in Fiscal 2024, while work-in-progress inventory rose from ₹71.90 million in Fiscal 2023 to ₹87.95 million in Fiscal 2024. The trend reflects steady production activity and alignment of inventory build-up with dispatch schedules at year-end.

Manufacturing Expenses

Manufacturing expenses increased by ₹38.25 million or 12.54%, from ₹305.02 million in Fiscal 2023 to ₹343.27 million in Fiscal 2024. As a percentage of total income, manufacturing expenses increased from 22.27% in Fiscal 2023 to 24.32% in Fiscal 2024, reflecting a marginally higher cost burden relative to revenue, primarily due to increased outsourcing and energy costs.

The increase was mainly driven by a ₹16.65 million rise in job work charges (from ₹93.36 million in Fiscal 2023 to ₹110.01 million in Fiscal 2024), indicating increased reliance on outsourced machining and processing.

Power and fuel expenses increased by ₹7.15 million (from ₹45.30 million in Fiscal 2023 to ₹52.45 million in Fiscal 2024), while contract labour charges rose by ₹12.08 million, consistent with the expansion in production scale. Additionally, packing material consumption increased by ₹1.77 million and chemicals, oils, and lubricants decreased by ₹2.37 million. The various heads of manufacturing expenses are as follows-

(₹ in million)

Particulars	For the financial year ended March 31, 2024	% of total expenses	For the financial year ended March 31, 2023	% of total expenses
Consumption of stores, spare parts and loose tools	32.04	9.33%	33.52	10.99%
Chemical, oil and lubricant	25.70	7.49%	28.07	9.20%
Consumption of packing materials	24.59	7.16%	22.82	7.48%
Job work charges	110.01	32.05%	93.36	30.61%
Power and fuel	52.45	15.28%	45.30	14.85%
Contract labour charges	70.25	20.46%	58.17	19.07%
Repairs and maintenance - Machinery	16.89	4.92%	13.60	4.46%
Testing and inspection charges	0.99	0.29%	0.93	0.30%
Measurement instrument	6.38	1.86%	4.31	1.41%
Factory expenses	3.97	1.16%	4.94	1.62%
Total expenses	343.27	100.00%	305.02	100.00%

Employee Benefits Expense

Employee benefit expenses increased by ₹27.56 million or 16.72%, from ₹164.87 million in Fiscal 2023 to ₹192.43 million in Fiscal 2024. The increase was primarily attributable to higher salaries, wages and bonus, which rose by ₹22.80 million from ₹145.84 million in Fiscal 2023 to ₹168.64 million in Fiscal 2024. Staff welfare expenses increased by ₹3.01 million, while contributions to provident and other funds rose by ₹1.75 million. These increases were driven by wage revisions, onboarding of personnel for expanded operations (including the Kawthe unit), and applicable statutory accruals. The components of employee benefit expenses are as follows-

Particulars	For the financial year ended March 31, 2024	% of total employee cost	For the financial year ended March 31, 2023	% of total employee cost
Salaries, wages and bonus	168.64	87.64%	145.84	88.46%
Contributions to Gratuity, provident and other funds	13.33	6.93%	11.58	7.02%
Staff welfare expenses	10.46	5.44%	7.45	4.52%
Total employee cost	192.43	100.00%	164.87	100.00%

Finance Costs

Finance costs decreased by ₹17.56 million or 37.93%, from ₹46.30 million in Fiscal 2023 to ₹28.74 million in Fiscal 2024. This decrease was primarily due to reduction in foreign exchange loss, which was from ₹0.05 million in Fiscal 2024 to ₹9.25 million in Fiscal 2023. As per the balance sheet, cash credit borrowings rose to ₹171.09 million as on March 31, 2024, from ₹33.35 million as on March 31, 2023, and long-term secured borrowings increased to ₹197.29 million from ₹130.13 million during the same period. Additionally, a foreign currency loan exchange loss of ₹0.05 million was incurred during Fiscal 2024, as compared to ₹9.25 million in the previous year.

Depreciation and Amortization Expense

Depreciation and amortization expense increased by ₹12.16 million or 19.86%, from ₹61.23 million in Fiscal 2023 to ₹73.39 million in Fiscal 2024. The increase was primarily driven by gross capital additions of ₹296.67

million during the year, particularly in plant and machinery and related infrastructure, including additions for the new Kawathe facility. This was partially offset by asset disposals amounting to ₹32.53 million. As a result, the net carrying value of property, plant and equipment increased from ₹345.97 million as of March 31, 2023 to ₹557.69 million as of March 31, 2024.

Other Expenses

Other expenses increased by ₹33.16 million or 38.73%, from ₹85.62 million in Fiscal 2023 to ₹118.78 million in Fiscal 2024. The increase was primarily attributable to one-time charges, including bad debts written off amounting to ₹16.03 million and investment written off of ₹4.00 million. Additionally, legal and professional fees increased from ₹8.91 million in Fiscal 2023 to ₹13.95 million in Fiscal 2024, and outward transport expenses rose from ₹11.00 million in Fiscal 2023 to ₹14.85 million in Fiscal 2024, reflecting overall business expansion. Commission on sales also decreased from ₹15.47 million in Fiscal 2023 to ₹14.07 million in Fiscal 2024. These increases were in line with scale-up in operations and broader market outreach initiatives undertaken during the year.

Profit Before Tax

Profit before tax decreased by ₹83.79 million (34.65 %), from ₹241.82 million in Fiscal 2023 to ₹158.03 million in Fiscal 2024. As a share of total income, Profit before tax fell from 17.66 % to 11.19 % over the same period. The decline resulted from increases in input and operating costs raw-material expenses, manufacturing overheads, and employee costs which outpaced revenue growth and reduced operating margins. Charges for bad debts and investment write-offs recorded under other expenses further reduced profit.

Tax Expense

Total tax expense decreased by ₹19.73 million, or 31.93%, from ₹61.80 million in Fiscal 2023 to ₹42.07 million in Fiscal 2024. The decrease was primarily due to a reduction in current tax by ₹26.90 million, partially offset by an increase in deferred tax expense of ₹7.17 million. As a percentage of profit before tax, the effective tax rate stood at 25.56% in Fiscal 2023 and 26.62% in Fiscal 2024, indicating a marginal increase despite lower absolute tax outgo, owing to reduced pre-tax profits.

Profit for the Year

Profit for the year decreased by ₹64.06 million or 35.58%, from ₹180.02 million in Fiscal 2023 to ₹115.96 million in Fiscal 2024. Profit after tax (PAT) margin declined to 8.21% in Fiscal 2024 from 13.15% in Fiscal 2023, representing a contraction of 4.94 percentage points. This decline was primarily driven by higher raw material costs, increased operational overheads, and one-time charges, which more than offset the modest growth in total income.

Rationale for decrease in Profit Margin in Fiscal 2024

The reduction in net profit during Fiscal 2024 was primarily attributable to the following factors:

Raw Material Cost Increase Relative to Revenue:

The cost of materials consumed increased by ₹29.15 million or 6.13%, from ₹475.21 million in Fiscal 2023 to ₹504.36 million in Fiscal 2024, while revenue from operations grew by ₹43.72 million or 3.28% during the same period. Consequently, material cost as a percentage of revenue rose from 34.70% to 35.73%, reflecting higher procurement rates and variation in the product mix delivered. The differential growth between cost and revenue contributed to a reduction in gross margin.

Increase in Employee Benefit Expenses:

Employee benefit expenses increased by ₹27.56 million or 16.72%, from ₹164.87 million in Fiscal 2023 to ₹192.43 million in Fiscal 2024, due to salary revisions and an increase in workforce to support operations.

Rise in Other Expenses:

Other expenses increased by ₹33.16 million or 38.73%, from ₹85.62 million in Fiscal 2023 to ₹118.78 million in Fiscal 2024. The increase was primarily attributable to bad debts written off amounting to ₹16.03 million, investment write-offs of ₹4.00 million, a ₹5.04 million increase in professional fees, and a ₹3.85 million rise in transportation charges.

Cash Flows

The following table sets forth certain information relating to our cash flows under Ind AS for the period ended for the fiscal 2025, fiscal 2024 and fiscal 2023.

(All amounts in ₹ million)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Net cash (used in)/ generated from operating activities	170.16	186.77	310.13
Net cash (used in)/ generated from investing activities	(133.96)	(355.18)	(57.32)
Net cash (used in)/ generated from financing activities	(34.97)	166.02	(254.49)
Net increase/ (decrease) in cash and cash equivalents	1.24	(2.39)	(1.67)
Cash and Cash Equivalents at the beginning of the period	6.04	8.43	10.10
Cash and Cash Equivalents at the end of the period	7.28	6.04	8.43

Net cash generated from operating activities

Fiscal 2025

During Fiscal 2025, net cash generated from operating activities amounted to ₹170.16 million, as against a profit before tax of ₹261.94 million. The difference was primarily attributable to non-cash adjustments including depreciation of ₹101.07 million and finance costs of ₹48.12 million, partially offset by interest income of ₹11.65 million.

Working capital movements also impacted cash flows: inventories increased by ₹56.93 million, trade and other payables increased by ₹32.48 million, while trade receivables decreased by ₹89.74 million. After accounting for income tax paid of ₹59.53 million, the net cash generated from operating activities stood at ₹170.16 million.

Fiscal 2024

During Fiscal 2024, net cash generated from operating activities was ₹186.77 million as against a profit before tax of ₹158.03 million. The difference was primarily on account of non-cash adjustments such as depreciation and amortization of ₹73.39 million and finance costs of ₹28.74 million, partly offset by interest income of ₹5.39 million and a gain on disposal of property, plant and equipment amounting to ₹1.85 million.

Working capital changes had a mixed impact on cash flows. Trade receivables decreased by ₹51.89 million, inventories increased by ₹22.22 million, and trade and other payables declined by ₹80.81 million. After accounting for income tax payments of ₹52.78 million, the Company generated ₹186.77 million in net cash from operating activities during the year.

Fiscal 2023

During Fiscal 2023, net cash generated from operating activities stood at ₹310.13 million, compared to a profit before tax of ₹241.82 million. The increase was driven by non-cash items including depreciation of ₹61.23 million and finance costs of ₹46.30 million, offset by interest income of ₹6.66 million and fair value gains of ₹6.74 million on financial instruments.

Working capital changes contributed positively: inventories were broadly stable, while trade and other payables increased by ₹36.27 million. However, there was a reduction in trade receivables by ₹29.40 million. After adjusting for tax payments of ₹77.99 million, the net cash from operating activities totalled ₹310.13 million for Fiscal 2023.

Net cash used in investing activities

Fiscal 2025

Net cash used in investing activities was ₹133.96 million in Fiscal 2025. This was primarily attributable to capital expenditure of ₹154.11 million, representing investments in new plant and machinery, dies, and

automation assets. The outflow was partially offset by ₹38.32 million received from the sale of property, plant, and equipment, indicating selective monetization of older assets. Additionally, interest income earned during the year amounted to ₹1.17 million and dividend income stood at ₹0.08 million. However, a ₹9.42 million investment outflow towards financial instruments contributed to the overall net outflow.

Fiscal 2024

Net cash used in investing activities was ₹355.18 million in Fiscal 2024, primarily due to capital expenditure of ₹286.39 million towards property, plant and equipment, largely for capacity expansion and automation. This was partially offset by proceeds of ₹4.40 million from the sale of fixed assets and ₹3.00 million from redemption of investments. Interest income earned during the year was ₹5.38 million, and there was a one-time gain of ₹3.00 million on sale of investments. Dividend income remained nominal at ₹0.14 million. Overall, the significant investment in fixed assets led to a net outflow from investing activities.

Fiscal 2023

Net cash used in investing activities was ₹57.32 million in Fiscal 2023. The Company incurred capital expenditure of ₹135.42 million, which was partially offset by ₹21.24 million received from the sale of assets. Interest and dividend income totalled ₹6.66 million and ₹0.09 million respectively. Additionally, there was a fair value gain of ₹50.11 million from financial instruments measured at FVTPL, reducing the net investing outflow. No investments were redeemed during the year.

Net cash generated from/ used in financing activities.

Fiscal 2025

Net cash used in financing activities was ₹34.97 million. The Company availed long-term borrowings of ₹56.56 million to support capex, while repaying ₹31.91 million of existing term loans. Short-term borrowings increased marginally by ₹1.80 million. Interest payments during the year amounted to ₹55.83 million, reflecting increased borrowing costs. A dividend of ₹5.59 million was paid during the year. The increase in debt drawdown was offset by higher finance cost, resulting in net outflow.

Fiscal 2024

Net cash generated from financing activities was ₹166.02 million in Fiscal 2024. This was driven by net proceeds from borrowings: ₹116.57 million from long-term borrowings and ₹130.01 million from short-term facilities. These were partly offset by repayments of long-term loans totalling ₹50.25 million. Finance costs paid during the year amounted to ₹24.72 million. A final dividend of ₹5.59 million was also paid during the year. The overall inflow reflects increased leverage to support capital expenditure and working capital needs.

Fiscal 2023

Net cash used in financing activities amounted to ₹254.49 million in Fiscal 2023. The Company repaid ₹144.40 million of long-term borrowings and had a net outflow of ₹130.46 million from short-term borrowings. These were partially offset by fresh long-term borrowings of ₹66.37 million. Interest payments stood at ₹42.27 million. Dividend paid during the year was ₹3.73 million. The overall cash outflow reflects debt servicing and partial deleveraging.

LIQUIDITY AND CAPITAL RESOURCES

We fund our operations primarily with cash flow from operating activities and borrowings / credit facilities from banks. Our primary use of funds has been to pay for our working capital requirements and capital expenditure and for the expansion of our manufacturing facilities. We evaluate our funding requirements regularly considering the cash flow from our operating activities and market conditions. In case our cash flows from operating activities do not generate sufficient cash flows, we may rely on other debt or equity financing activities, subject to market conditions.

FINANCIAL INDEBTEDNESS

The following is the certain information relating to our outstanding indebtedness as of July 31, 2025, on a Consolidated basis:

(All amounts in ₹ million)

Nature of Borrowing		
Secured Borrowings		
Fund based facilities		
Term loans	372.50	220.09
Vehicle loans	10.00	2.75
Total (A)	382.50	222.84
Working capital Limits		
- Cash Credit	220.00	118.05
Total (B)	220.00	118.05
Total Fund based (C)= (A) + (B)	602.50	340.89
Non-Fund based facilities		
Letter of Credit	120.00	81.39
Bank Guarantee	1.50	0.83
Forward Contracts	100.00	-
Total Non-Fund Borrowings (D)	221.50	82.22
Total Borrowings (E)= (C) + (D)	824.00	423.11

For further and detailed information on our indebtedness, see “Risk Factor - We are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, accelerated repayment schedule, enforcement of security and suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.” on page 52 and “Financial Indebtedness” on page 323 of this Draft Red Herring Prospectus

CAPITAL COMMITMENTS, OTHER COMMITMENTS AND CONTINGENT LIABILITIES

As of March 31, 2025, the estimated amount of Capital commitments, other commitments and contingent liabilities are as follows:

As at March 31, 2025, the Group had capital commitments of ₹6.71 million (March 31, 2024: ₹40.89 million; March 31, 2023: ₹66.01 million), net of advances, towards the procurement of property, plant and equipment.

Contingent Liabilities

Claims against the Group/ disputed liabilities not acknowledged as debts	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Disputed GST Demand	-	1.51	2.63

Other commitments

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Employment and Post Employment Benefits. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its Restated Consolidated Financial Information in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

For further information on our contingent liabilities and commitments, see “Note 40 – Contingent Liabilities” under the chapter “Restated Consolidated Financial Information” on page 277.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have or which we believe reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenue or expenses, operating results, liquidity, capital expenditure or capital resources.

CAPITAL EXPENDITURES

For Fiscal 2025, 2024, and 2023, our capital expenditure towards additions to property, plant and equipment, capital work-in-progress, other intangible assets, and intangible assets under development amounted to ₹301.77 million, ₹359.95 million, and ₹166.81million, respectively. The following table sets forth our non-current assets for Fiscals indicated:

(₹ in million)			
Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Tangible	197.46	295.43	78.35
Intangible	0.27	1.04	1.24
Total	197.73	296.47	79.59

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. For further information relating to our related party transactions, see “*Restated Consolidated Financial Information - Note 47 – Related Party Transactions*” on page 281 of this Draft Red Herring Prospectus.

Reservations, Qualifications and Adverse Remarks by the statutory auditors

There are no reservations, qualifications and adverse remarks by our Statutory Auditors since incorporation.

Details of Default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues or repayment of debentures or repayment of deposits or repayment of loans from any bank or financial institution

Other than those discussed under “*Risk Factors*” beginning on page 32, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company for the Fiscal 2025, Fiscal 2024 and Fiscal 2023.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, since incorporation.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Financial Risk Management

The Group’s Board of Directors has overall responsibility for the establishment and oversight of the Group’s risk management framework. The board of directors is responsible for developing and monitoring the Group’s risk management policies. The Group’s risk management policies are established to identify and analyze the risk faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s activities. The Group’s Board of Directors oversees how management monitors compliance with the Group’s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Board of Directors is assisted in its oversight role by internal audit team. Internal audit team undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk.
- Liquidity risk.

- Market risk

Credit risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, Loans and Advance given and other financial instruments.

Trade receivable and Loans and Advances

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. To manage trade receivable, the Group periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 51. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The Company uses a provision matrix whereby trade receivables are considered doubtful based on past trends where such receivables are outstanding for more than a year. The allowance for lifetime expected credit loss on customer balances for the year ended March 31, 2025 and March 31, 2024 and March 31, 2023 is not material.

Particulars	Not due	0-180 days	181-365 days	>365	Total
As at March 31, 2025					
Gross Carrying amount	302.13	156.80	3.95	8.45	471.33
Expected Credit Rate	-	5%	9%	74%	
Expected credit loss	-	7.13	0.37	6.27	13.77
Carrying Amount of Trade Receivable (Net)	301.13	149.68	3.58	2.17	457.56
As at March 31, 2024					
Gross Carrying amount	193.06	171.76	6.93	7.33	379.08
Expected Credit Rate	-	4.56%	9%	23%	
Expected credit loss	-	7.83	0.62	1.65	10.10
Carrying Amount of Trade Receivable (Net)	193.06	163.93	6.31	5.68	368.99
As at March 31, 2023					
Gross Carrying amount	272.15	137.27	11.64	24.24	445.30
Expected Credit Rate	-	0.00%	9%	30%	-
Expected credit loss	-	-	1.03	7.33	8.36
Carrying Amount of Trade Receivable (Net)	272.15	137.27	10.61	16.92	436.94

Particulars	Total
As at April 1, 2022	3.73
Provided during the year	4.63
As at April 1, 2023	8.36
Provided during the year	1.74
As at April 1, 2024	10.10
Provided during the year	3.67
As at April 1, 2025	13.77

The Company considers the probability of default upon initial recognition of loan and advances and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the group compares the risk of a default occurring on the loan as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

Investment in Shares and Mutual Funds, Cash and cash equivalents and Other Bank Balances:

Credit risk from investment in Shares, Mutual Funds and balances with banks and financial institutions is managed by the management in accordance with the Group's policy. For financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions and mutual funds having high credit-ratings assigned by credit-rating agencies. The Group monitors changes in credit risk by tracking published external credit ratings

The exposure to credit risk for Equity listed mutual fund and securities through FVTPL at the reporting date was as follows:

Particulars	March 31, 2025		March 31, 2024		March 31, 2023	
	Carrying Values	Fair Values	Carrying Values	Fair Values	Carrying Values	Fair Values
Through fair value through profit or loss	-	-	-	-	-	-
Investment in shares and mutual funds	17.23	17.23	8.14	8.14	7.25	7.25
Total	17.23	17.23	8.14	8.14	7.25	7.25

Impairment on cash and cash equivalents and other bank balances has been measured on a 12- month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Liquidity risk:

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Group's liquidity risk management policies include to, at all times ensure sufficient liquidity to meet its liabilities when they are due, by maintaining adequate sources of financing from banks at an optimised cost whenever considered appropriate. In addition, processes and policies related to such risks are overseen by senior management. The Group's senior management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows. The Group also monitors the level of expected cash inflows on trade receivables together with expected cash outflows on trade payables.

(i) Maturities of financial liabilities:

The following are the remaining contractual maturities of financial liabilities at the reporting date:

Particulars	Not due and Less than 1 year	1 to 5 year	Above 5 years	Total
March 31, 2025				
Borrowings	206.48	188.77	40.00	435.25
Trade payables	157.50	8.47	-	165.97
Other financial liabilities	38.31	13.98	-	52.29
As at March 31, 2024				
Borrowings	202.67	165.71	40.00	408.38

Trade payables	126.93	6.56	-	133.49
Other financial liabilities	35.39	12.80	-	48.19
As at March 31, 2023				
Borrowings	90.63	81.43	40.00	212.06
Trade payables	214.30	-	-	214.30
Other financial liabilities	30.43	9.37	-	39.80

Financing arrangements

The Group has sufficient sanctioned line of credit from its bankers / financiers (including overdraft facility) commensurate to its business requirements. The Group reviews its line of credit available with bankers and lenders from time to time to ensure that at all point of time there is sufficient availability of line of credit. The Group pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is exposed in the ordinary course of business to risks related to Interest rate, foreign currency exchange rate and prices

Interest Rate Risk

The group's main interest rate risk arises from long-term borrowings with variable rates, which expose the group to cash flow interest rate risk.

Breakup of Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Fixed rate instruments			
- Borrowings	43.29	45.50	57.15
Floating rate instruments			
- Borrowings	391.96	362.88	154.91
Total	435.25	408.38	212.06

Interest rate Sensitivity Analysis

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax and on other component on equity is affected through the impact on floating rate borrowings, is as follows:

Effect	Impact on profit before tax			
	Increase/ (decrease) in basis points	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
INR – Increase	100	(3.92)	(3.63)	(1.55)
INR - (Decrease)	(100)	3.92	3.63	1.55

Effect	Impact on equity			
	Increase/ (decrease) in basis points	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
INR – Increase	100	(3.92)	(3.64)	(1.54)
INR - (Decrease)	(100)	3.92	3.64	1.54

Foreign currency risk

The Company is subject to the risk that changes in foreign currency values impact the Company's export, import and other payables

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar (USD), Euro (EUR) & Great Britain Pound (GBP)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Currency	As at March 31, 2025		As at March 31, 2024		As at March 31, 2023	
		In foreign currency	In INR	In foreign currency	In INR	In foreign currency	In INR
Advance to Suppliers	US\$	-	-	0.01	16.94	-	-
	Euro	-	-	0.19	0.71	-	-
	GBP	0.01	0.41	0.01	0.41	-	-
Trade receivable	Euro	0.19	17.28	0.35	31.82	0.55	48.78
	US\$	1.77	150.73	1.61	133.71	1.75	143.47
Term loan from Bank - FCNR	US\$	0.77	65.56	1.11	91.96	0.61	49.97

Foreign currency sensitivity analysis:

The following details demonstrate the Group's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 1% change in foreign currency rates. A positive number below indicates an increase in profit or equity and vice-versa.

Impact on profit or loss	Currency	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
INR Weakens by 1%				
Trade payable	US\$	-	(0.17)	-
	Euro	-	(0.01)	-
	GBP	(0.00)	(0.00)	-
Trade receivable	Euro	0.17	0.32	0.49
	US\$	1.51	1.34	1.43
Term loan from Bank – FCNR	US\$	(0.66)	(0.92)	(0.50)
INR strengthens by 1%				
Trade payable	US\$	-	0.17	-
	Euro	-	0.01	-
	GBP	0.00	0.00	-
Trade receivable	Euro	(0.17)	(0.32)	(0.49)
	US\$	(1.51)	(1.34)	(1.43)
Term loan from Bank – FCNR	US\$	0.66	0.92	0.50

Commodity price risk

The Group's activities are exposed to steel price risks and therefore its overall risk management program focuses on the volatile nature of the steel and cement market, thus seeking to minimize potential adverse effects on the Group's financial performance on account of such volatility. The risk management committee regularly reviews and monitors risk management principles, policies, and risk management activities.

Equity Price risk

The Group is mainly exposed to the price risk due to its investment in shares and mutual funds. The price risk arises due to uncertainties about the future market values of these investments. These are exposed to price risk. The Group's exposure to equity shares and mutual fund price risk arises from movement of price of related shares and mutual fund units measured at fair value through profit and loss.

Price risk sensitivity analysis:

0.10% increase or decrease in prices will have the following impact on profit/ (loss) before tax and on other components of equity

Impact on profit or loss and other equity	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Price-increase by 0.10 %	0.02	0.01	0.01
Price-decrease by 0.10 %	(0.02)	(0.01)	(0.01)

Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern so, that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce cost of capital. The Group manages its capital structure and make adjustments to, in light of changes in economic conditions, and the risk characteristics of underlying assets. In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by equity. Net debt is calculated as total borrowing (including current and non-current terms loans as shown in the balance sheet).

The Group monitors capital using 'Total Debt' to 'Equity'. The Group's Total Debt to Equity are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Total debt*	435.25	408.38	212.06
Total capital (total equity shareholder's fund)	1,012.51	822.16	713.03
Net debt to equity ratio	0.43	0.50	0.30

* Total debt = non-current borrowings + current borrowings

The Group has complied with externally imposed capital requirements during the year ended March 31, 2025, March 31, 2024 and March 31, 2023.

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

Except as otherwise disclosed in this Draft Red Herring Prospectus, there have been no unusual or infrequent events or transactions that may affect the financial statements or operating results, including but not limited to

significant changes in accounting policies, one-time items of income, or discretionary reductions in major expense categories.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Except as disclosed under “Risk Factors” beginning on page 32, there have been no significant economic or macroeconomic changes that have materially affected or are expected to materially affect our income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Other than those discussed under “Risk Factors” beginning on page 32 there are no known trends or uncertainties that have had, or are reasonably expected to have, a material adverse impact on our revenue or income from continuing operations. To our knowledge, except as discussed in this Draft Red Herring Prospectus, there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company.

4. Future changes in relationship between costs and revenues

Other than as described in “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 32, 177 and 286 respectively, to our knowledge, there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

5. Increases in net sales or revenue and Introduction of new products or services or increased sales prices

Changes in revenue in the last three Fiscals are as described in “– Fiscal 2025 compared to Fiscal 2024”, and “– Fiscal 2024 compared to Fiscal 2023” above on pages 305 and 308, respectively.

6. Status of any publicly announced New Products or Business Segment

Except as otherwise disclosed in this Draft Red Herring Prospectus in the section “Our Business” beginning on page 177. We have not announced and does not currently anticipate announcing any new product lines or business segments in the near future.

7. Total Turnover of Each Major Industry Segment in Which the Issuer Operates

Our Company operates in a single operating segment namely, hydraulic fittings. Since we operate in a single operating segment, separate segment reporting has not been made under Ind-AS 108. For further information, see “Restated Consolidated Financial Information – Note 44 – Operating Segments” on page 293.

8. Seasonality of business

Our Company’s business is not seasonal or cyclical in nature.

9. Any Major Dependence on a single or few suppliers or customers

We depend on a limited number of suppliers for our revenue and operations. For details, see “Risk Factors no.3 – We are dependent on our suppliers for raw materials used in our manufacturing processes. Any shortages, delay or disruption in the supply of the raw materials we use in our manufacturing process may have a material adverse effect on our business, financial condition, results of operations and cash flows.” on page 35. We have in the past derived a major portion of our revenue from a limited number of customer groups and may derive a major portion of our revenue from such customers. For details, see “Risk Factors no.1 – We are dependent on a few customers for a major portion of our revenues. We do not enter into long-term arrangements with our customers and any failure to continue our existing arrangements with such customers could adversely affect our business and results of operations. We do not enter into long term arrangements with our customers however we have relationship with most of our customers for more 10 years. failure to continue our existing arrangements with such customers could adversely affect our business and results of operations” on page 32.

10. Competitive conditions:

We operate in a competitive environment. See “*Our Business*”, “*Industry Overview*” and “*Risk Factors*” on pages 177, 137 and 32, respectively, for further information on competitive conditions that we face.

11. Material developments after March 31, 2025 that may affect our future results of operations

Except as disclosed elsewhere in this Draft Red Herring Prospectus, there have been no significant developments after March 31, 2025, the date of the last financial statements contained in this Draft Red Herring Prospectus, to the date of filing of this Draft Red Herring Prospectus, which materially and adversely affects, or is likely to affect, our trading or profitability, or the value of our assets, or our ability to pay our liabilities within the next 12 months.

FINANCIAL INDEBTEDNESS

We have availed loans and financing arrangements in the ordinary course of business, typically for purposes such as, amongst other things, working capital and purchase of plant and machinery for production purposes.

For details regarding the borrowing powers of our Board, see “*Our Management - Borrowing Powers*” on page 210.

See “*Risk Factor 29 - We are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, accelerated repayment schedule, enforcement of security and suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.*” on page 52 of this Draft Red Herring Prospectus.

As on July 31, 2025, the outstanding aggregate borrowings of our Company on a consolidated basis (including interest accrued thereon) are ₹ 340.89 million and a brief summary is disclosed below:⁽¹⁾

(₹ in million)

Nature of Borrowing	Amount Sanctioned	Amount Outstanding as on July 31, 2025
Secured Borrowings		
Fund based facilities		
Term loans	372.50	220.09
Vehicle loans	10.00	2.75
Total (A)	382.50	222.84
Working capital Limits		
- Cash Credit	220.00	118.05
Total (B)	220.00	118.05
Total Fund based (C)= (A) + (B)	602.50	340.89
Non-Fund based facilities		
Letter of Credit	120.00	81.39
Bank Guarantee	1.50	0.83
Forward Contracts	100.00	-
Total Non-Fund Borrowings (D)	221.50	82.22
Total Borrowings (E)= (C) + (D)	824.00	423.11

⁽¹⁾ As certified by Nayan Parikh & Co., Chartered Accountants pursuant to their certificate dated September 4, 2025.

Principal terms of the borrowings availed by our Company are disclosed below:

- Interest:** In respect to working capital, interest rates are typically linked to benchmark rates, such as the repo rate prescribed by the RBI, Prime Lending Rate (PLR) and Annual Recurring Revenue (ARR) of funds based leading rate plus a spread per annum is charged above these benchmark rates. Currently interest rate for working capital loan is 9.50%. The interest rate for the term loan (secured and unsecured) facilities available by our company is in range from 7.14% per annum to 11.60% per annum.
- Tenor:** The tenor of our Borrowings varies from one type of facility to the other. Our cash credit/working capital facilities/ non-fund based facilities are typically renewable at annual resets and are repayable on demand. The tenor of the term loan facilities availed by us typically ranges from five years to ten years.
- Security:**
Certain working capital facilities and our term loan, availed by us, are secured. In terms of our borrowings where security needs to be created, we are typically required to create security by way of:
 - pari passu charge on the entire existing and future current assets of our Company;
 - pari passu charge by way of registered mortgage of certain factory lands and buildings of our Company;
 - pari passu charge on fixed assets of our Company;
 - hypothecation of specified equipment and plant & machinery; and
 - personal guarantees by our Promoters and Directors, Hemant Mondkar and Surekha Mondkar.

4. **Pre-payment:** Certain facilities availed by us have pre-payment provisions which allow for pre-payment of the outstanding loan amount together with interest. The prepayment penalty for the facilities availed by us, where specified, is 2% on or at such other rate as may be advised by the lender in the sanction letter or at such rate as may be advised by the lender at funded exposure as on closure date if taken over by any financial institution/ Bank/ Credit society/ NBFC.
5. **Penal Interest Rate:**
Over and above, the application interest rate from 2% to 4% p.a. for non-compliance of terms and conditions.
6. **Restrictive Covenants:** Certain borrowing arrangements entered into by our Company and/ or its Subsidiaries contains restrictive covenants, including covenants restricting certain actions except with the prior approval of the lender. An indicative list of such restrictive covenants is disclosed below.
 - a. Change in the Company's capital structure.
 - b. Change in the constitution of the Company
 - c. Change in the ownership, management or control of the Company.
 - d. Change in the ownership, management or control;
 - e. Invest by way of share capital in or advance funds to or place deposit with any other concern (normal trade credit or security deposit in the normal course of business or advance to employees can, however, be extended).
 - f. Enter into borrowing arrangement whether secured or unsecured with any other banks, financial institutions, Company or otherwise.
 - g. Change in shareholding pattern;
 - h. Change in promoter directors or key managerial personnel;
 - i. Change in practice of remuneration of directors;
 - j. For approaching capital market for mobilizing resources either in the form of debt or equity;
 - k. Concern to be taken for opening new account in other bank;
 - l. Disposal of assets other than those permitted by the lender.

In connection with the Offer, we have obtained the necessary consents required under the relevant loan documentation for undertaking activities, such as, among others, change in equity, change in the composition of our Board, change in our constitutional documents and change in shareholding pattern.

The details provided above are indicative and there may be additional terms, conditions and requirements under the specific borrowing arrangements entered into by us.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, as on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings (including matters which are at first information report stage, even if no cognizance has been taken by any court or judicial authority) involving the Company, its Promoters, its Directors and its Subsidiary (together, the “**Relevant Parties**”), the Key Managerial Personnel (“**KMPs**”) and Senior Management (“**Senior Management**” and together with the KMPs, the “**Company Personnel**”); (ii) actions taken by statutory or regulatory authorities against the Relevant Parties and Company Personnel; (iii) claims related to direct and indirect taxes against the Relevant Parties, in a consolidated manner; (iv) other pending litigation (including civil litigation or arbitration proceedings) as determined to be material pursuant to the Materiality Policy adopted by our Board in accordance with SEBI ICDR Regulations. Further, except as stated in this section, there are no disciplinary actions including penalties imposed by the SEBI or Stock Exchanges against our Promoters in the last five Fiscals, including any outstanding action involving the Company Personnel. There are no outstanding litigation proceedings involving our Group Companies that may have a material impact on our Company.

For the purpose of disclosure of pending material litigation in (iv) above, our Board in its meeting held on July 22, 2025 (“**Materiality Policy**”) involving the Company, its Directors, its Promoters and its Subsidiary, shall be considered ‘material’ for the purpose of disclosure in the Draft Red Herring Prospectus, if:

- (a) if the aggregate claim or amount involved in such litigation, to the extent quantifiable, is in excess of the lower of:
 - (i) 5% of the average of absolute value of profit or loss after tax i.e. ₹ 8.20 million as per the last three Restated Consolidated Financial Information; or
 - (ii) 2% of the net worth for the most recent financial year as per the latest Restated Consolidated Financial Information i.e. ₹ 20.2 million; or
 - (iii) 2% of the turnover for the most recent financial year as per the latest Restated Consolidated Financial Information i.e. ₹ 32.27 million (“**Materiality Threshold**”).

Accordingly, ₹ 8.20 million being the lowest of the above criteria has been considered as Materiality Threshold for the purpose of this section

- (b) the outcome of such litigation, would, in the opinion of the Board, have a material adverse bearing on the business, operations, performance, prospectus, reputation, results of operations or cash flows of our Company and irrespective of whether the amount involved in such proceedings exceeds the Materiality Threshold or not or whether the monetary liability is not quantifiable in such litigation; or
- (c) the decision in such litigation is likely to affect the decision in similar cases even though the amount involved in an individual litigation may not exceed the materiality threshold as per (a) above.

For the purposes of this section, pre-litigation notices (other than those received from governmental, statutory, regulatory, judicial or tax authorities), shall, in any event, not be considered as litigation and evaluated for materiality, until such time that Relevant Parties are impleaded as defendants in litigation proceedings before any judicial/arbitral forum or unless decided otherwise by the board of directors of the Company.

Except as stated in this section, there are no outstanding dues to creditors of our Company. For the purpose, a creditor of the Company shall be considered ‘material’ for the purpose of disclosure in the Offer Documents if the amount exceeds 5% of the restated total trade payables of the Company as of the end of the latest financial period covered in the Restated Consolidated Financial Information as disclosed in the Draft Red Herring Prospectus. Accordingly, if the amounts due to such creditor exceeds ₹ 8.30 million, such creditors have been considered for the purposes of disclosure of material creditors and in this section. Further, for outstanding dues to micro, small and medium enterprises (“**MSME**”), the disclosure will be based on information available with the Company regarding status as MSME as defined under Section 2 read with Section 7 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the statutory auditors in preparing their audit report.

All terms defined in a particular litigation disclosure below correspond to that particular litigation only.

I. Litigation involving our Company

A. *Outstanding litigation against our Company*

1. Criminal proceedings

Nil

2. Actions by regulatory and statutory authorities

Nil

3. Other material pending proceedings

Nil

B. *Outstanding litigation by our Company*

1. Criminal proceedings

Nil

2. Other material pending proceedings

Nil

II. Litigation involving the Directors

A. *Outstanding litigation against our Directors*

1. Criminal proceedings

Nil

2. Actions by regulatory and statutory authorities

Nil

3. Other material pending proceedings

Nil

B. *Outstanding litigation by our Directors*

1. Criminal proceedings

Nil

2. Other material pending proceedings

Nil

III. Litigation involving our Promoters

A. *Outstanding litigation against our Promoters*

1. Criminal proceedings

Nil

2. **Disciplinary actions including penalties imposed by the Stock Exchanges in the last five Financial Years**

Nil

3. **Actions by regulatory and statutory authorities**

Nil

4. **Other material pending proceedings**

Nil

B. Outstanding litigation by our Promoters

1. **Criminal proceedings**

Nil

2. **Other material pending proceedings**

Nil

IV. Litigation involving our Subsidiary

A. Outstanding litigation against our Subsidiary

1. **Criminal proceedings**

Nil

2. **Actions by regulatory and statutory authorities**

Nil

3. **Other material pending proceedings**

Nil

B. Outstanding litigation by our Subsidiary

1. **Criminal proceedings**

Nil

2. **Other material pending proceedings**

Nil

V. Criminal proceedings involving and actions by regulatory and statutory authorities against our Company Personnel

As on the date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings or actions by regulatory and statutory authorities involving our Company Personnel.

VI. Tax proceedings against our Company, Directors, Promoters and Subsidiary

Except as disclosed below, there are no claims related to direct and indirect taxes, involving our Company, Directors, Promoters and Subsidiary

Nature of Proceedings	Number of cases	Amount involved (₹ in Million)
<i>Our Company</i>		
Direct tax	1	24.23
Indirect tax	Nil	Nil
<i>Directors</i>		
Direct tax	1	2.26
Indirect tax	Nil	Nil
<i>Promoters</i>		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil
<i>Subsidiary</i>		
Direct tax	Nil	Nil
Indirect tax	Nil	Nil

Material Tax Litigation

- Pursuant to a rectification order dated November 02, 2022 passed under section 154 of the Income Tax Act, 1961 (“**IT Act**”), the income tax authority (“**Authority**”) raised a tax demand of ₹13.95 million for assessment year (AY) 2021-2022 against our Company. Our Company vide its letter dated January 14, 2025 had submitted its representation to the Authority stating that the Company had inadvertently selected an incorrect head while making payment for the tax liability of ₹11.12 million with respect to buy back of shares. Subsequently, pursuant to rectification order dated March 23, 2025 passed under section 154 of the IT Act, the Authority has raised a demand of ₹ 17.18 million on our Company. Our Company has on June 02, 2025 made a representation to the Income Tax Office, Circle 1 Thane, requesting to rectify the tax demand. The matter involves disputed tax demand of ₹ 17.18 million along with interest thereon of ₹ 7.05 million aggregating to ₹24.23 million. The matter is currently pending before Income Tax Office, Circle 1 Thane.

VII. Outstanding Dues to Creditors

In terms of the Materiality Policy, our Company has considered such creditors ‘material’ to whom the amount due is equal to or in excess of 5% of the restated consolidated trade payables of the Company as of the end of the most recent financial period covered in the Restated Consolidated Financial Information of the Company was ₹8.30 million (“**Material Creditors**”). The details of outstanding dues to our Material Creditors due to MSME and other creditors are as under:

Particulars	No. of Creditors	Amount (in ₹ Million)
Outstanding dues to material creditors	2	30.79
Outstanding dues micro and small enterprises#	89	20.12
Outstanding dues to micro and small enterprise (Trading Concerns)#	15	1.30
Outstanding dues to medium enterprise including Trading Concerns#	3	7.01
Outstanding dues to other creditors	440	106.75
Total Outstanding Dues	549	165.97

As per Micro, Small and Medium Enterprises Development Act, 2006,

Micro Enterprise: Where the investment in Plant and Machinery or Equipment does not exceed one crore rupees and turnover does not exceed five crore rupees.

Small Enterprise: Where the investment in Plant and Machinery or Equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees.

Complete details for Material Creditors are available on the website of our Company at www.hy-techengineers.com.

VIII. Material Developments

Except as disclosed in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant factors affecting our financial conditions and results of operations*” beginning

on page 286 of this Draft Red Herring Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial information as disclosed in this Draft Red Herring Prospectus, any circumstances that materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay material liabilities within the next 12 months from the date of filing of this Draft Red Herring Prospectus.

IX. Other Confirmations

There are no findings/ observations of any of the inspections by the SEBI or any other regulators, and enforcement agencies, involving our Company that are material, and which need to be disclosed or non-disclosure of which may have a bearing on the investment decision. Further, our Company has not received any findings/ observations from SEBI pursuant to the Offer, as on the date of this Draft Red Herring Prospectus.

GOVERNMENT AND OTHER APPROVALS

Set out below a list of licenses, registrations, permissions and approvals issued by relevant governmental and regulatory authorities required to be obtained by our Company which is considered material and necessary for the purposes of undertaking their respective business activities and operations and except as mentioned below, no further material approvals are required to carry on our present business activities. We have also set out below, material approvals or renewals applied for but not received in respect of our Company, as on the date of this Draft Red Herring Prospectus. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with the applicable procedures and requirements.

For details of risks associated with not obtaining or delay in obtaining the requisite approvals, see “Risk Factor 17 – We may be unable to obtain, renew or maintain statutory and regulatory permits, licenses and approvals required to operate our business and operate our manufacturing facilities which could have an adverse effect on our business, result of operations, financial condition and cash flows.” on page 45 of the the Draft Red Herring Prospectus.

For further details, in connection with the regulatory and legal framework within which we operate see the sections titled “Risk Factor” and “Key Industry Regulations and Policies” on pages 32 and 194, respectively.

I. Approvals in relation to the Offer

For details regarding the approvals and authorizations obtained by our Company in relation to the Offer, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 334 of this Draft Red Herring Prospectus

II. Material Approvals in relation to our Company

We require various approvals to carry on our business in India. We have received the following material government and other approvals pertaining to our business.

A. Material Approvals in relation to incorporation

1. Certificate of incorporation dated December 12, 1978, issued to our Company by the Registrar of Companies, Maharashtra at Mumbai under its former name, under its former name Hy-Tech Engineers Private Limited.
2. Fresh certificate of incorporation dated March 23, 2022, issued to our Company by the Registrar of Companies, Maharashtra at Mumbai, pursuant to conversion of our Company from private limited to public limited.
3. Our Company has been allotted the corporate identity number U99999MH1978PLC020853.

B. Material Approvals in relation to our business and operations

1. Our Company has been granted the Certificate for Importer bearing registration number IM-18-000-09-AAACH7368H-24 issued by the Central Pollution Control Board, Delhi.
2. The Importer-Exporter Code number 0391007866 has been granted to us by the Office of the Additional Director General of Foreign Trade.
3. The Legal Entity Identifier (LEI) code number 335800Q4KGKEFU2B3292 has been granted by the Legal Entity Identifier India Limited.

C. Tax related Material Approvals

1. The permanent account number of our Company is AAACH7368H.
2. The tax deduction account number of our Company is PNEH04511D.

3. Our Company has obtained GST registrations for payments under central and state goods and services tax legislations for the state of Maharashtra and Madhya Pradesh
4. Our Company has obtained professional tax registration under the applicable state legislations

D. Employment related Material Approvals of our Company

1. Under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, our Company has been allotted the following EPF code number: THTHA0024687000, PUKOL0030923000 and MPIND0023292000 for the state of Maharashtra and Madhya Pradesh; and
2. Under the provisions of the Employees' State Insurance Act, 1948, our Company has been allotted code ESIC code number: 34000111240000699 and 18000164190000606 for the state of Maharashtra and Madhya Pradesh, respectively.

E. Material Approvals obtained in relation to our operational manufacturing facilities

(i) Thane Unit

1. Registration of factory and related license to operate a factory dated January 19, 2023, issued by Directorate of Industrial Safety and Health (Labour Department), Maharashtra Government as per the provisions of the Factories Act, 1948 and rules framed thereunder;
2. Consent to operate dated March 21, 2025, issued by Maharashtra Pollution Control Board under the Water (Prevention & Control of Pollution) Act, 1974 ("**Water Act**"), the Air (Prevention & Control of Pollution) Act, 1981 ("**Air Act**") and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
3. Final fire no objection certificate dated June 26, 2025 issued by Fire Officer as per the provisions of Maharashtra Fire Prevention and Life Safety Measures Act, 2006, Maharashtra Industrial Development Corporation, along with Form B issued by an independent organization as per section 3(3) of the Maharashtra Fire Prevention and Life Safety Measures Act, 2006; and
4. Certificate of Verification dated January 29, 2025, under the Legal Metrology Act 2009 read with the Maharashtra Legal Metrology (Enforcement) Rules, 2011.

(ii) Nashik Unit

1. Registration of factory and related license to operate a factory dated January 18, 2025, issued by Directorate of Industrial Safety and Health (Labour Department), Maharashtra Government as per the provisions of the Factories Act, 1948 and rules framed thereunder;
2. Consent to operate dated April 02, 2025, issued by Maharashtra Pollution Control Board under the Water Act, the Air Act and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
3. Final fire no objection certificate dated June 27, 2025 issued by Fire Officer as per the provisions of Maharashtra Fire Prevention and Life Safety Measures Act, 2006, Maharashtra Industrial Development Corporation, along with Form B issued by an independent organization as per section 3(3) of the Maharashtra Fire Prevention and Life Safety Measures Act, 2006;
4. Certificate of registration dated February 25, 2025 issued by the office of Registering Officer, Nashik as per provisions of Contract Labour (Regulation & Abolition) Act, 1970 which is valid till December 31, 2025; and
5. Certificate of Verification dated March 28, 2025, under the Legal Metrology Act 2009 read with the Maharashtra Legal Metrology (Enforcement) Rules, 2011.

(iii) Pithampur Unit-I

1. Registration of factory and related license to operate a factory dated February 07, 2025, issued by Joint Chief Inspector of Factories, Madhya Pradesh as per the provisions of the Madhya Pradesh Factories Rules, 1962 and rules framed thereunder;
2. Consent to operate dated May 24, 2023 issued by Madhya Pradesh Pollution Control Board under the Water Act, the Air Act, and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
3. Consent to establish for expansion dated August 21, 2025 issued by Madhya Pradesh Pollution Control Board under the Water Act, the Air Act and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
4. Fire stability certificate dated August 20, 2025 issued by Fire Officer Indore Division as per the provisions of National building Code, 2016 read with Land Development Rules 2012;
5. Certificate of registration dated January 09, 2025 issued by the District Labour Office, Pithampur, Dhar, as per provisions of Contract Labour (Regulation & Abolition) Madhya Pradesh Rule 1973; and
6. Certificate of Verification dated December 06, 2024, under the Legal Metrology Act 2009 read with the Legal Metrology (General) Rules, 2011.

(iv) Pithampur Unit-II

1. Registration of factory and related license to operate a factory dated May 22, 2024, issued by Joint Chief Inspector of Factories, Madhya Pradesh as per the provisions of the Madhya Pradesh Factories Rules, 1962 and rules framed thereunder;
2. Consent to operate dated April 04, 2025, issued by Madhya Pradesh Pollution Control Board under the Water Act, the Air Act and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
3. Fire stability certificate dated August 20, 2025 issued by Fire Officer Indore Division as per the provisions of National Building Code, 2016 read with Land Development Rules 2012;
4. Certificate of registration dated January 09, 2025 issued by the District Labour Office, Pithampur, Dhar, as per provisions of Contract Labour (Regulation & Abolition) Madhya Pradesh Rule 1973; and
5. Certificate of Verification dated March 28, 2025, under the Legal Metrology Act 2009 read with the Legal Metrology (General) Rules, 2011.

(v) Shirwal Unit

1. Registration of factory and related license to operate a factory dated January 31, 2025 bearing registration number 122702812000695 issued by Directorate of Industrial Safety and Health (Labour Department), Maharashtra Government as per the provisions of the Factories Act, 1948 and rules framed thereunder;
2. Consent to operate dated December 13, 2024, issued by Maharashtra Pollution Control Board under the Water Act, the Air Act and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
3. Consent to establish for expansion dated August 13, 2025, issued by Maharashtra Pollution Control Board under the Water Act, the Air Act and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
4. Final fire no objection certificate dated April 11, 2025 issued by Divisional Fire Officer as per the provisions of Maharashtra Fire Prevention and Life Safety Measures Act, 2006, Maharashtra Industrial Development Corporation;

5. Certificate of Verification dated September 24, 2024, under the Legal Metrology Act 2009 read with the Maharashtra Legal Metrology (Enforcement) Rules, 2011; and
6. Certificate of registration dated November 10, 2023, issued by the Office of Assistant Commissioner of Labour Satara, as per provisions of Contract Labour (Regulation & Abolition) Act, 1970.

(vi) Kavathe Unit

1. Registration of factory and related license to operate a factory dated March 14, 2024, issued by Directorate of Industrial Safety and Health (Labour Department), Maharashtra Government as per the provisions of the Factories Act, 1948 and rules framed thereunder;
2. Consent to operate dated January 23, 2024, issued by Maharashtra Pollution Control Board under the Water Act, the Air Act and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
3. Consent to establish for expansion dated August 13, 2025 issued, by Maharashtra Pollution Control Board under the Water Act, the Air Act and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016;
4. Final fire no objection certificate dated February 05, 2024, issued by Divisional Fire Officer as per the provisions of Maharashtra Fire Prevention and Life Safety Measures Act, 2006, Maharashtra Industrial Development Corporation;
5. Certificate of Verification dated December 23, 2024, under the Legal Metrology Act 2009 read with the Maharashtra Legal Metrology (Enforcement) Rules, 2011; and
6. Certificate of registration dated October 28, 2024 issued by the Office of Assistant Commissioner of Labour Satara, as per provisions of Contract Labour (Regulation & Abolition) Act, 1970.

III. Material Approvals applied for but not yet received:

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no Material Approvals which our Company has applied for, but which have not been received:

1. Consent to operate dated August 20, 2025, issued by Maharashtra Pollution Control Board under the Water Act, the Air Act, and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 for forging activity in Kavathe Unit.

IV. Material Approvals required but not obtained or applied for:

Nil

V. Material Approvals expired and renewal to be applied for:

Nil

VI. APPROVALS OBTAINED IN RELATION TO INTELLECTUAL PROPERTY RIGHTS

As of the date of this Draft Red Herring Prospectus, our Company has two trademarks registered in India



- (i) device:  under class 6 which is valid till June 02, 2030 and (ii) wordmark: HY-TECH under class 35 which is valid till December 03, 2034.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

The Offer including the Fresh Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on July 22, 2025 and our Shareholders pursuant to a special resolution passed at their meeting held on July 26, 2025.

The Draft Red Herring Prospectus has been approved pursuant to a resolution passed by our Board on September 4, 2025.

Authorization of the Promoter Selling Shareholders

The Promoter Selling Shareholders have, confirmed and approved their participation in the Offer for Sale in relation to its respective portion of the Offered Shares, as set out below:

Name of the Promoter Selling Shareholders	Aggregate number of Equity Shares being offered in the Offer for Sale	Date of consent letter
Hemant Tukaram Mondkar	75,00,000	August 14, 2025
Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar	44,33,120	August 14, 2025

Each of the Promoter Selling Shareholders specifically confirm, severally and not jointly, that they are in compliance with Regulation 8 of the SEBI ICDR Regulations and have held the Offered Shares for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus.

In-principle Listing Approvals

Our Company has received in-principle approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

Prohibition by SEBI or any other regulatory authorities

Our Company, Promoters, Directors, members of our Promoter Group, the Promoter Selling Shareholders, the persons in control of our Company, (being our Promoters), are not prohibited from accessing the capital market for any reason or debarred from buying, selling or dealing in securities, under any order or directions by the SEBI or any other securities market regulator in any other jurisdiction or any other authority/ court as on the date of this Draft Red Herring Prospectus.

Our Company, Promoters or Directors have neither been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI. Further, there have not been any violations of securities laws by our Promoters and our Directors.

Further, none of our Promoters or Directors have been declared as Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Each of our Company, our Promoters, the Promoter Group and the Promoter Selling Shareholders, severally and not jointly, are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent in force and applicable, as on the date of this Draft Red Herring Prospectus.

Directors associated with the securities market

None of our Directors are associated with the securities market in any manner including securities market related business. Further, no outstanding action has been initiated against any of our Directors by SEBI in the five years

preceding the date of this Draft Red Herring Prospectus or any other entity with which our Directors are associated as promoters or directors.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the eligibility criteria provided in Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has net tangible assets of at least ₹30 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets
- Our Company has an average operating profit of at least ₹150 million, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years
- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and
- Our Company has not changed its name in the last one year prior to the date of this Draft Red Herring Prospectus.

The computation of net tangible assets, operating profit, net worth, monetary assets, as restated and derived from the Restated Consolidated Financial Information, as at and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 is set forth below:

(₹ in million, unless otherwise stated)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Pre-tax operating profit/loss	256.81	152.12	252.04
Net Worth	1012.51	822.16	713.03
Net tangible Assets	1010.27	821.10	712.46
Monetary Assets	7.28	6.04	8.43
Monetary Assets as restated as a % of Net tangible Assets	0.72%	0.74%	1.18%

Notes:

1. Pre-tax operating profit is computed by deducting finance costs, employee benefits expenses, depreciation and amortization, impairment on financial instruments and other expenses from total revenue from operations.
2. Net Worth means 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 Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
3. Monetary assets have been computed as the sum of cash and cash equivalents, freehold deposits with banks.
4. Net tangible Assets calculated as Total Equity less intangible assets.

Our Company is in compliance with the conditions specified in Regulation 5 and Regulation 7(1) of the SEBI ICDR Regulations, as follows:

- a. Our Company, each of the Promoter Selling Shareholders, our Promoters, the members of our Promoter Group, and our Directors are not debarred from accessing the capital market by SEBI.
- b. None of our Promoters or our Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI.
- c. None of our Company, our Promoters or our Directors have been categorized as a Wilful Defaulter or a Fraudulent Borrower.
- d. None of our Promoters or Directors have been declared as Fugitive Economic Offenders
- e. As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or any other right which would entitle any person any option to receive Equity Shares of face value of ₹5 each.
- f. Our Company along with Registrar to the Offer has entered into tripartite agreement dated April 18, 2022 with NSDL and tripartite agreement dated April 12, 2022 with CDSL, for dematerialisation of the Equity Shares

- g. The Equity Shares held by our Promoters are in the dematerialised form
- h. All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.
- i. As the Net Proceeds will not be utilised for financing a specific project, the requirement to make firm arrangement of finance through verifiable means towards at least 75% of the stated means of finance is not applicable to this Offer.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

We are eligible to undertake the Offer as per Rule 19(2)(b) of the SCRR read with Regulations 6(1) of the SEBI ICDR Regulations. Accordingly, in accordance with Regulation 32(1) of the SEBI ICDR Regulations we are required to allot not more than 50% of the Offer to QIBs, 5% of which shall be allocated to Mutual Funds exclusively. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two third of such portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. In the event we fail to do so, the full application money shall be refunded to the Bidders.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000 and should our Company fail to do so, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and applicable law.

DISCLAIMER CLAUSE OF SEBI

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, NEW BERRY CAPITALS PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS EACH PROMOTER SELLING SHAREHOLDERS IS, SEVERALLY AND NOT JOINTLY, RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF FOR ITS RESPECTIVE PORTION OF THE OFFERED SHARES,, THE BOOK RUNNING LEAD MANAGER, NEW BERRY CAPITALS PRIVATE LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, NEW BERRY CAPITALS PRIVATE LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMEBR 4, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS, AS AMENDED.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/ OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BRLM ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.”

All applicable legal requirements pertaining to this Offer will be complied with at the time of filing this Draft Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All applicable legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

Disclaimer from our Company, the Directors, the Promoter Selling Shareholders and the BRLM

Our Company, the Directors, the Promoter Selling Shareholders and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company’s instance and anyone placing reliance on any other source of information, including our Company’s website at www.hy-techengineers.com or the respective websites of any affiliate of our Company would be doing so at his or her own risk. It is clarified that none of the Promoter Selling Shareholders, nor their respective directors, affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those specifically made or undertaken by such Promoter Selling Shareholders in relation to itself and/or the respective portion of the Equity Shares offered by it through the Offer for Sale.

The BRLM accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement to be entered into between the Underwriters, the Promoter Selling Shareholders and our Company.

All information shall be made available by our Company, the Promoter Selling Shareholders (to the extent that the information pertain to them and their respective portions of the Offered Shares) and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, each of the Promoter Selling Shareholders, the Underwriters and their respective directors, partners, designated partners, trustees, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, each of the Promoter Selling Shareholders, the Underwriters and their respective directors, partners, designated partners, trustees, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity.

The BRLM and their respective associates and affiliates, in their capacity as principal or agents, may engage in transactions with, and perform services for, our Company, our Promoters, the Promoter Selling Shareholders and their respective directors, officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, our Promoters, the Promoter Selling Shareholders and their directors, officers, respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation. As used herein, the term ‘affiliate’ means any person or entity that controls or is controlled by or is under common control with another person or entity.

Disclaimer from the Promoter Selling Shareholders

The Promoter Selling Shareholders, accept no responsibility for any statements made in this Draft Red Herring Prospectus other than those specifically made or confirmed by such Promoter Selling Shareholders in relation to themselves as a Promoter Selling Shareholders and in relation to his respective proportion of the Offered Shares. Bidders will be required to confirm and will be deemed to have represented to the Promoter Selling Shareholders that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable

laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Promoter Selling Shareholders and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from RBI), or trusts under applicable trust law and who are authorised under their respective constitutions to hold and invest in equity shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs, and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an offer to sell an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, other than in India, to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra, India only. This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to this Draft Red Herring Prospectus which comprises this Draft Red Herring Prospectus. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus had been filed with SEBI for its observations and this Draft Red Herring Prospectus has been filed with RoC, SEBI and the Stock Exchanges. Accordingly, the Equity Shares of face value of ₹5 represented hereby may not be offered or sold, directly or indirectly, and the Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of our Company or the Promoter Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India

Eligibility and Transfer Restrictions

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), 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. Accordingly, the Equity Shares may be offered and sold (i) within the United States only to persons reasonably believed to be "Qualified Institutional Buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs") in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. For the avoidance of doubt, the term

“U.S. QIBs” does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”.

The Equity Shares of face value of ₹5/- have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and were not offered or sold, and Bids were not made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

Listing

The Equity Shares offered through the Red Herring Prospectus and the Prospectus are proposed to be listed on the BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares of face value of ₹5 each. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the listing and trading permission is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the Bidders in pursuance of the Red Herring Prospectus in accordance with applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or such period as may be prescribed by SEBI. The Promoter Selling Shareholders, confirms that it shall extend reasonable support and co-operation (to the extent of his portion of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed. If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period, in accordance with applicable law.

Consents

Consents in writing of the Promoter Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, Banker(s) to the Company, legal counsel, CARE, the BRLM, the Registrar to the Offer, Statutory Auditors, the Syndicate Members, the Bankers to the Offer, Escrow Collection Bank, Public Offer Account Bank, Refund Bank, Sponsor Banks, to act in their respective capacities, obtained and will be filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, and such consents shall not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus to the RoC and Prospectus for filing with the RoC.

Experts to the Offer

Our Company has not obtained any expert opinions other than as disclosed below.

Our Company has received written consent dated September 4, 2025 from the Statutory Auditors, G. M. Kapadia & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26 of the Companies Act, 2013 read with the SEBI ICDR Regulations, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated July 22, 2025 on the Restated Consolidated Financial Information; (ii) their statement of special tax benefits available to our Company and its Shareholders in this Draft Red Herring

Prospectus; and (iii) the certificates issued in relation to the Offer which may appear in the Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received written consent dated September 4, 2025 from Nayan Parikh & Co, Independent, Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in its capacity as the independent chartered accountant and in respect of the certificates issued by them and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received written consent dated September 3, 2025 from Nandkishor P. Kalekar, Independent Chartered Engineer, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and be named as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the chartered engineer in respect of information certified by them, as included in this Draft Red Herring Prospectus, in connection with the Offer.

Our Company has received written consent dated September 3, 2025 from Elias L. Rodrigues & Co., the independent Practicing Company Secretary, holding a valid peer review certificate from ICSI, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and be named as an “expert” as defined under Section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Particulars regarding public or rights issues by our Company during the last five years

Except as disclosed in “*Capital Structure*” on page 86, our Company has not made any rights issue during the last five years, preceding the date of this Draft Red Herring Prospectus.

Particulars regarding capital issues by our Company and listed group companies, subsidiaries or associate entity during the last three years

Other than as disclosed in “*Capital Structure – Notes to the capital structure - Share Capital History of our Company – Equity Share Capital*” on page 87, our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus.

As of the date of this Draft Red Herring Prospectus, our Company does not have any listed subsidiaries, associates or group companies.

Commission and brokerage on previous issues of the Equity Shares of face value of ₹5 each in the last five years

Since this is the initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring prospectus.

Performance vis-à-vis objects – public/ rights issue of the listed subsidiaries and listed Promoter of our Company

As on the date of this Draft Red Herring Prospectus, our Company does not have a listed subsidiary or listed promoter.

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken any public issue or rights issue in the five years preceding the date of this Draft Red Herring Prospectus.

Observation by regulatory authorities

There are no findings/ observations of any of the inspections by the SEBI or any other regulators, and enforcement agencies, involving our Company that are material, and which need to be disclosed or non-disclosure of which may have a bearing on the investment decision. Further, our Company has not received any findings/ observations from SEBI, as on the date of this Draft Red Herring Prospectus.

Price Information and track record of past issued handled by the Book Running Lead Manager

S. No.	Issuer Name	Issue Size (INR Lakhs)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Tejas Cargo India Limited*	10,584.00	168.00	February 24, 2025	175.00	+0.03%, [19.17%]	+0.03%, [-10.43%]	+76.79%, [12.85%]

*Listed on NSE Emerge

Note:

1. % of change in closing price on 30th/ 90th/ 180th calendar day from listing day is calculated vs issue price.
2. % change in closing benchmark index i.e., NSE is calculated based on closing index on listing day vs closing index on 30th/ 90th/180th calendar day from listing day
3. Wherever 30th/ 90th/ 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index

Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled:

Financial Year	Total No. of IPOs	Total amount of Fund Raise (INR Lakhs)	No. of IPOs trading at Discount – 30 th calendar days from listing			No. of IPOs trading at Premium – 30 th calendar days from listing			No. of IPOs trading at Discount – 180 th calendar days from listing			No. of IPOs trading at Premium – 180 th calendar days from listing		
			Over 50%	Between 25% to 50%	Less than 25%	Over 50%	Between 25% to 50%	Less than 25%	Over 50%	Between 25% to 50%	Less than 25%	Over 50%	Between 25% to 50%	Less than 25%
2025-26*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024-25	1	10,584.00	-	-	-	-	-	1	-	-	-	1	-	-
2023-24	-	-	-	-	-	-	-	-	-	-	-	-	-	-

*The information is as on the date of the DRHP.

Note:

1. The information for each of the financial years is based on issues listed during such financial year.
2. Data for number of IPOs trading at premium/discount taken at closing price on NSE or BSE on the respective date, depending upon the Designated Stock Exchange.

Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the Book Running Lead Manager, as specified in circular bearing number CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the Book Running Lead Manager, as provided in the table below:

Book Running Lead Manager	Website
New Berry Capitals Private Limited	www.newberry.in

Stock market data of Equity Shares

This being an initial public offer of Equity Shares of our Company, the Equity Shares of face value of ₹5 each are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares of face value of ₹5 each.

Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares or any such later period as may be prescribed under the applicable law to enable the Bidders to approach the Registrar to the Offer for redressal of their grievances.

All grievances (other than of Anchor Investors) in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, UPI ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove. All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid / Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount or the entire duration of delay exceeding three Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations, has identified the need to put in place measures in order to manage and handle investor issues arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/ SCSBs, failure to unblock funds for cancelled/ withdrawn/ deleted cases in the stock exchange platforms, failure to unblock funds in cases of partial allotment by the next working day from the finalization of basis of allotment, failure to unblock the funds in cases of non-allotment by the Offer Closing Date, SCSBs blocking multiple amounts for the same UPI mechanism, and SCSBs blocking more amount in the investors' accounts than the application amount.

As per the SEBI ICDR Master Circular read with the March 2021 Circular, and the June 2021 Circular, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, each to the extent applicable and not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations, SEBI has prescribed certain mechanisms for initial public offerings to ensure proper management of investor issues arising out of the UPI Mechanism, inter alia including (i) identification of a nodal officer by SCSBs for IPO applications processed through UPI as a payment mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) periodic sharing of statistical details of mandate blocks/ unblocks,

performance of apps and UPI handles, network latency or downtime, etc., by the Sponsor Bank(s) to the intermediaries forming part of the closed user group vide email; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for nonallotted/ partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalization of the Basis of Allotment.

In terms of the SEBI ICDR Master Circular read with the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations, and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with the SEBI ICDR Master Circular read with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations, in the events of delayed unblock for cancelled/ withdrawn/ deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/ partially-allotted applications, for the stipulated period.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with the SEBI ICDR Master Circular read with the SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and SEBI Master Circular no. SEBI/HO/MIRSD/POD1/P/CIR/2023/70 dated May 17, 2023, to the extent applicable, and not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations..

Separately, pursuant to the SEBI ICDR Master Circular and the March 2021 Circular (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled/withdrawn/deleted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation /withdrawal/deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹ 100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalization of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, BRLM shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the BRLM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the applicable provisions of SEBI ICDR Regulations

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

Disposal of Investor Grievances by our Company

Our Company shall, after filing of this Draft Red Herring Prospectus, obtain authentication on the SCORES in terms of the SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor complaints during the three years preceding the date of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus. Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible. Each of the Promoter Selling Shareholders, specifically, severally and not jointly, has authorized our Company Secretary and Compliance Officer, and the Registrar to the Offer to redress any complaints received from Bidders in respect of its respective portion of the Offered Shares.

Our Company has appointed Sai Yashwant Ranadive, as the Company Secretary & Compliance Officer for the Offer and he may be contacted in case of any pre-Offer or post-Offer related problems. For further details, see “*General Information - Company Secretary and Compliance Officer*” on page 79.

Our Company has also constituted a Stakeholders’ Relationship Committee comprising of Satish Prabhakar Kulkarni, Chetan Ramesh Sapre and Hemant Tukaram Mondkar as members, to review and redress Shareholder and investor grievances. For further details, see “*Our Management – Committees of the Board - Stakeholders’ Relationship Committee*” on page 214.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not sought for any exemptions from complying with any provisions of securities laws from the SEBI, as on the date of this Draft Red Herring Prospectus.

Other confirmations

No person connected with the Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Offer, except for fees or commission for services rendered in relation to the Offer.

SECTION VII - OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, transferred and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, our Memorandum of Association and our Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by the SEBI, the Government of India, the Stock Exchanges, the RBI, the RoC and/or any other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Offer

The Offer comprises of a Fresh Issue by our Company and an Offer for Sale by the Promoter Selling Shareholders. The fees and expenses relating to the Offer shall be borne by each of our Company and the Promoter Selling Shareholders in the manner agreed to among our Company and the Promoter Selling Shareholders and in accordance with applicable law. For details in relation to Offer expenses, see “*Objects of the Offer*” on page 105.

Ranking of the Equity Shares

The Equity Shares being issued, transferred and Allotted pursuant to the Offer shall be subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and our Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of the right to receive dividend and voting. The Allottees, upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see “*Description of Equity Shares and Terms of the Articles of Association Interpretation*” on page 376.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to our Shareholders in accordance with the provisions of Companies Act, our Memorandum of Association and our Articles of Association and provisions of the SEBI Listing Regulations and other applicable law. Dividends, if any, declared by our Company after the date of Allotment (pursuant to transfer of Equity Shares from the Offer for Sale), will be payable to the Allottees who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For further details, see “*Dividend Policy*” and “*Description of Equity Shares and Terms of the Articles of Association Interpretation*” on pages 226 and 376, respectively.

Face value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹5 and the Offer Price at the lower end of the Price Band is ₹[●] per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹[●] per Equity Share (“**Cap Price**”). The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot, will be decided by our Company, in consultation with the BRLM and shall be published in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located), each with wide circulation, and advertised at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges to upload on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges.

The Offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Offer Closing Date.

At any given point of time, there shall be only one denomination of Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- right to receive dividends, if declared;
- right to attend general meetings and exercise voting rights, unless prohibited by law;
- right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- right to receive offers for rights Equity Shares and be allotted bonus Equity Shares, if announced;
- right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- right of free transferability of their Equity Shares, subject to applicable laws; and
- such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and our Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “*Description of Equity Shares and Terms of the Articles of Association Interpretation*” on page 376.

Allotment of Equity Shares only in dematerialised form

In terms of Section 29 of the Companies Act, 2013, and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, the following agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated April 18, 2022 among our Company, NSDL and the Registrar to the Offer; and
- Tripartite agreement dated April 12, 2022 among our Company, CDSL and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialised form in multiples of one Equity Share subject to a minimum allotment of [●] Equity Shares. For details of basis of allotment, see “*Offer Procedure*” on page 354.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, and the rules framed thereunder, the sole Bidder, or the First Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present

nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by our Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment in the Offer will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with the respective Collecting Depository Participant of the Bidder would prevail. If the Bidders wish to change the nomination, they are requested to inform their respective Collecting Depository Participant.

Period of operation of subscription list – Bid/Offer Programme

BID/OFFER OPENS ON	[●] ⁽¹⁾
BID/OFFER CLOSES ON	[●] ⁽²⁾⁽³⁾

- (1) Our Company, in consultation with the BRLM, may consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.
- (2) Our Company, in consultation with the BRLM, 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 5:00 p.m. on the Bid/Offer Closing Date, i.e., on [●].

An indicative timetable in respect of the Offer is disclosed below:

Event	Indicative Date
Bid/Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA*	On or about [●]
Credit of Equity Shares to dematerialised accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

* In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism), exceeding two Working Days from the Bid/Offer Closing Date, for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Promoter Selling Shareholders or the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid/Offer Closing Date, as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company, in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter Selling Shareholders confirm that they shall extend reasonable support and co-operation in relation to the Offered Shares, as may be requested by our Company and the BRLM for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, as may be prescribed by the SEBI.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with listing timelines and activities prescribed by the SEBI, in connection with the allotment and listing procedure within three Working Days from the Bid / Offer Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Submission of Bids (Other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
Bid/Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For Retail Individual Bidders	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non- Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non- Individual Applications of QIBs and NIIs where Bid Amount is more than ₹0.50 million)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification / Revision / cancellation of Bids	
Upward revision of Bids by QIBs and Non-Institutional Bidders [#]	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/Offer Closing Date
Upward or downward revision of Bids by Retail Individual Bidders	Only between 10.00 a.m. and up to 5.00 p.m. IST

* UPI mandate end time shall be 5:00 p.m. on the Bid/ Offer Closing Date.

[#] QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their Bids.

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

- 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by UPI Bidders.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by RIBs after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date until the Bid/ Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and in any case no later than the prescribed time on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Bids and any revision in Bids will be accepted only during Working Days.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor the Promoter Selling Shareholders, nor any member of the Syndicate is liable for any failure in uploading or downloading the Bids due to faults in any software / hardware system or otherwise; or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Banks due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Our Company, in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations, provided that the revised Cap Price shall be less than or equal to 120% of the revised Floor Price, the Floor Price shall not be less than the face value of the Equity Shares, and that the revision in the Price Band shall not exceed 20% on either side, *i.e.*, the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. Provided that, the Cap Price of the Price Band shall be at least 105% of the Floor Price.

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

The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/ Offer Period till 5.00 pm on the Bid/ Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Minimum subscription

If, as prescribed, our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the Bid/Offer Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid/Offer Closing Date, on account of withdrawal of applications or after technical rejections, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being issued or offered under the Red Herring Prospectus, the Promoter Selling Shareholders, to the extent applicable, and our Company shall forthwith refund the entire subscription amount received in accordance with applicable law. If there is a delay beyond the prescribed time, our Company, to the extent applicable, shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law, including the SEBI ICDR Master Circular. Subject to applicable law, the Promoter Selling Shareholders shall not be responsible to pay interest for any delay, unless such delay is solely and directly attributable to an act or omission of the Promoter Selling Shareholders, in which case such liability shall be on a several and not joint basis and shall be to the extent of the Offered Shares.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale. If there is a delay beyond the prescribed period, our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum.

In the event of an undersubscription in the Offer, the Equity Shares will be Allotted in the following order:

- i. such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue portion is subscribed;
- ii. upon (i), all the Equity Shares held by the Promoter Selling Shareholders and offered for sale in the Offer for Sale will be Allotted (in proportion to the Offered Shares being offered by the Promoter Selling Shareholders to the aggregate Offered Shares in the Offer for Sale); and
- iii. once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Fresh Issue portion.

In accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000, failing which the entire application monies shall be refunded forthwith in accordance with SEBI ICDR Regulations and other applicable laws. In case of delay, if any, in refund within such timelines as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, our Company and the Promoter Selling Shareholders shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangement for disposal of odd lots

Since the Equity Shares will be traded in dematerialised form only and the market lot for the Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Option to receive Equity Shares in dematerialized form

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Restrictions, if any, on transfer and transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, the minimum Promoters' Contribution and the Anchor Investor lock-in in the Offer as detailed in "*Capital Structure*" on page 86, and except as provided in the Articles of Association as detailed in "*Description of Equity Shares and Terms of the Articles of Association*" on page 376, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/splitting.

Withdrawal of the Offer

The Offer shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company in consultation with the BRLM, reserve the right not to proceed with the Offer, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company in consultation with the BRLM, decides not to proceed with the Offer, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLM, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s) to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company, in consultation with the BRLM, withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with a public offering of Equity Shares, our Company shall file a fresh draft red herring prospectus with the SEBI and the Stock Exchanges.

OFFER STRUCTURE

The Offer of up to [●] Equity Shares bearing face value of ₹5 each for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹ [●] comprising a Fresh Issue of up to [●] Equity Shares by our Company aggregating up to ₹700.00 million and an Offer for Sale of up to 11,933,120 Equity Shares aggregating up to ₹[●] by the Promoter Selling Shareholders.

Our Company, in consultation with the BRLM, may consider issue of Specified Securities as may be permitted under applicable law, to any person(s), aggregating up to ₹ [●] at its discretion, prior to filing of the Red Herring Prospectus with the RoC.

The Offer shall constitute [●]% of the post-Offer paid-up Equity Share capital of our Company. The Offer is being made through the Book Building Process.

Particulars	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation ⁽²⁾	Not more than [●] Equity Shares of face value ₹ 5 each	Not less than [●] Equity Shares of face value ₹ 5 each available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares of face value ₹ 5 each available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer size available for Allotment/ allocation	Not more than 50% of the Offer shall be available for allocation to QIBs. However, up to 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance QIB Portion (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs	Not less than 15% of the Offer or the Offer less allocation to QIBs and Retail Individual Bidders will be available for allocation, out of which: a) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million; and b) two-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with application size of more than ₹1.00 million provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to applicants in the other sub-category of Non-Institutional Bidders	Not less than 35% of the Offer or Offer less allocation to QIBs and Non-Institutional Bidders will be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion):	The allotment of Specified Securities to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations. For details see, “Offer Procedure” on page 354.	The allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see “Offer Procedure” on page 354.

Particulars	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
	(a) [●] Equity Shares of face value ₹ 5 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) up to [●] Equity Shares of face value ₹ 5 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion (of up to [●] Equity Shares of face value ₹ 5 each) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price		
Minimum Bid	Such number of Equity Shares so that the Bid Amount exceeds ₹0.20 million and in multiples of [●] Equity Shares of face value ₹ 5 each	For Non-Institutional Bidders applying under (i) one-third of the Non-Institutional Portion such number of Equity Shares of face value of ₹ 5 each in multiples of [●] Equity Shares of face value of ₹ 5 each such that the Bid Amount exceeds ₹0.20 million For Non-Institutional Bidders applying under (ii) two-thirds of the Non-Institutional Bidders such number of Equity Shares in multiples of [●] Equity Shares of face value of ₹ 5 each such that	[●] Equity Shares of face value ₹ 5 each
Maximum Bid	Such number of Equity Shares of face value ₹ 5 each in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Offer (excluding the Anchor Portion), subject to applicable limits		
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	[●] Equity Shares of face value ₹ 5 each and in multiples of [●] Equity Shares of face value ₹ 5 each thereafter		
Allotment Lot	A minimum of [●] Equity Shares of face value ₹ 5 each and thereafter in multiples of one Equity Share of face value ₹ 5 each for QIBs and RIBs. The Allotment to NIBs shall not be less than the Minimum Non-Institutional Bidder Application Size (i.e., ₹0.20 million)		
Trading Lot	One Equity Share of face value ₹ 5 each		
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).		
Terms of Payment	In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids⁽⁴⁾ In case of all other Bidders: Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors) that is specified in the ASBA Form at the time of submission of the ASBA Form		

* Assuming full subscription in the Offer.

- (1) *Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For details, see "Offer Structure" on page 375.*
- (2) *Subject to valid Bids being received at or above the Offer Price. This is an Offer in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 and in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. The Equity Shares available for allocation to Non-Institutional Bidders under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "Terms of the Offer" on page 345.*
- (3) *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.*
- (4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Bids by FPIs with certain structures as described under the section entitled "Offer Procedure - Bids by FPIs" on page 360 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

The Bids by FPIs with certain structures as described under "Offer Procedure — Bids by FPIs" on page 360 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares of ₹5 each Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed. Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholders, the members of the Syndicate, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see "Terms of the Offer" on page 345.

OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Offers prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations) and the UPI Circulars (the “**General Information Document**”), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer, (ii) maximum and minimum Bid size, (iii) price discovery and allocation, (iv) payment instructions for ASBA Bidders, (v) issuance of Confirmation of Allocation Note and Allotment in the Offer, (vi) general instructions (limited to instructions for completing the Bid cum Application Form), (vii) Designated Date, (viii) disposal of applications, (ix) submission of Bid cum Application Form, (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds), (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications, (xii) mode of making refunds, and (xiii) interest in case of delay in Allotment or refund.

The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 (each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective until June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 (to the extent this circular is not rescinded by the SEBI RTA Master Circular) with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by UPI Bidders (“**UPI Phase III**”), as may be prescribed by the SEBI. Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders has been made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 1, 2023 (“**T+3 Circular**”). Accordingly, the Offer will be undertaken as per the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time.

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations) and SEBI ICDR Master Circular, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹0.50 million shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of these circular are deemed to form part of this Draft Red Herring Prospectus.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after

application monies are blocked in the bank accounts of investors (all categories). Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in the SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager shall continue to coordinate with intermediaries involved in the said process. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. Additionally, SEBI has reduced the time period for refund of application monies from 15 days to two days.

Our Company, the Promoter Selling Shareholders and the Syndicate and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus and the Prospectus.

Further our Company, the Promoter Selling Shareholders and the Syndicate Members are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of the Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders; and not less than 35% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Our Company, in consultation with the BRLM, may consider an issue of Specified Securities, as may be permitted under applicable law, to any person(s), aggregating up to ₹ [●] at its discretion, prior to filing of the Red Herring Prospectus with the RoC.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for UPI Bidders using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

Phased implementation of UPI

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, among others, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, a Retail Individual Investor had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase was applicable from July 1, 2019 until November 30, 2023, and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI, vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

Phase III: Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), Phase III has been notified, and accordingly the revised timeline of T+3 days has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023. The Offer shall be undertaken as per the processes and procedures under UPI Phase III, as notified in the T+3 Circular, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 issued by SEBI, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated April 20, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), (the “**UPI Streamlining Circulars**”), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders

to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Offer BRLM will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the UPI Bidders using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at relevant Bidding Centres and at our Registered and Corporate Office. The electronic copy of the Bid cum Application Forms will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The UPI Bidders can additionally Bid through the UPI Mechanism.

ASBA Bidders (other than UPI Bidders using UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations).

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. Retail Individual Bidders authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank(s), as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/unblocked.

The prescribed color of the Bid cum Application Forms for various categories is as follows:

Category	Color of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

* Excluding electronic Bid cum Application Form

Notes:

(1) Electronic Bid cum Application Forms and the Abridged Prospectus will also be available for download on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLM.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. For ASBA Forms (other than through the UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB

where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate the UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the Bankers to the Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Bank(s) and the Bankers to the Offer for analyzing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circulars dated June 2, 2021 and April 20, 2022 (each to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations).

Pursuant to NSE circular dated July 22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that Trading Members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹0.50 million and NII & QIB bids above ₹0.20 million, through SCSBs only.

For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders Bidding through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with the UPI Circulars.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Sponsor Bank(s) shall host a web portals for intermediaries (closed user group) from the date of Bid/Offer Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

Electronic registration of Bids

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded in the stock exchange platform during the Bid/Offer Period after which the Stock Exchange(s) send the Bid information to the Registrar to the Offer for further processing.
- d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their Bids.

Participation by the Promoters, the members of the Promoter Group, the BRLM, the Syndicate Members and persons related to Promoters/the members of the Promoter Group/the BRLM

The BRLM and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLM and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion, as may be applicable to such Bidders, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLM and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the BRLM nor any associate of the BRLM can apply in the Offer under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the BRLM;
- (ii) insurance companies promoted by entities which are associate of the BRLM;
- (iii) AIFs sponsored by the entities which are associate of the BRLM; or
- (iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associate of the BRLM.

Further, an Anchor Investor shall be deemed to be an associate of the BRLM, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, among the Anchor Investor and the BRLM.

Further, except for the sale of Equity Shares by the Promoter Selling Shareholders, our Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer.

However, a QIB who has any of the following rights in relation to our Company shall be deemed to be a person related to our Promoters or the members of the Promoter Group of our Company:

- (i) rights under a shareholders' agreement or voting agreement entered into with our Promoters or the members of the Promoter Group of our Company;
- (ii) veto rights; or
- (iii) right to appoint any nominee director on the Board.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by HUFs

Bids by HUFs, should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "*Name of sole or First Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta*". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and Eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

In accordance with the FEMA Non-debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application.

Also see “*Restrictions on Foreign Ownership of Indian Securities*” on page 374.

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Non-debt Instruments Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA Non-debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap is 100% and accordingly, the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying asset) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of is subject to, *inter alia*, the following conditions:

- (i) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (ii) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations (the “**Operational FPI Guidelines**”), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids (“MIM Bids”). FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as “**MIM Structure**”). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments (“**ODI**”) which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category I FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form “exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.”

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the “**FPI Group**”) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

Bids by SEBI registered AIFs, VCFs and FVCIs

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, *inter alia*, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. While the SEBI VCF Regulations have since been repealed, the funds registered as VCFs under the SEBI VCF Regulations continue to be regulated by such regulations until the existing fund or scheme managed by the fund is wound up. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs, subject to the conditions prescribed by the SEBI. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs, subject to the conditions prescribed by the SEBI. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, AIFs, FPIs and FVCIs, and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Promoter Selling Shareholders or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services as per the Banking Regulation Act, 1949, as amended, ("**Banking Regulation Act**"), and the Master Directions – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banking company's paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company, subject to prior approval of the RBI, if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act, (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank, and mutual funds managed by asset management companies controlled by the bank, shall not exceed more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap does not apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate equity investment made by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company paid up share capital and reserves.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, a certified copies of the (i) certificate of registration issued by RBI, (ii) last audited financial statements on a standalone basis (iii) a net worth certificate from its statutory auditor(s), and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid, without assigning any reason thereof.

Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, directions, guidelines and circulars issued by RBI from time to time. The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid, without assigning any reason thereof.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, Systemically Important NBFCs, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company, in consultation with the BRLM, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company, in consultation with the BRLM, may deem fit.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Offer.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, the key terms for participation by Anchor Investors are provided below:

- (i) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLM.
- (ii) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.
- (iii) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- (iv) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date, and will be completed on the same day.
- (v) Our Company, in consultation with the BRLM may finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject

to a minimum Allotment of ₹50 million per Anchor Investor; and (c) in case of allocation above ₹2,500.00 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.

- (vi) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLM before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.
- (vii) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- (viii) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.
- (ix) 50% of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares shall be locked-in for a period of 30 days from the date of Allotment.
- (x) Neither (a) BRLM nor any associate of the BRLM (except Mutual Funds sponsored by entities which are associates of the BRLM or insurance companies promoted by entities which are associate of BRLM or AIFs sponsored by the entities which are associate of the BRLM or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLM) nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply in the Offer under the Anchor Investor Portion.
- (xi) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For further details, please read the General Information Document.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholders and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in this Draft Red Herring Prospectus, or as will be specified in the Red Herring Prospectus and the Prospectus.

Certain Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the Acknowledgement Slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised Acknowledgement Slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Promoter Selling Shareholders and/or the BRLM are cleared or approved by the Stock Exchanges, nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company, nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. UPI Bidders can revise their Bid(s) during the Bid/Offer Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period.

Do's:

- A. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- B. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
- C. Ensure that you have Bid within the Price Band;
- D. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
- E. Ensure that you (other than the Anchor Investors) have mentioned the correct details of your ASBA Account (*i.e.*, bank account number) in the Bid cum Application Form if you are not a UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
- F. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;
- G. UPI Bidders Bidding shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
- H. Ensure that you have funds equal to or more than the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
- I. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Member, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
- J. The ASBA bidders shall ensure that bids above ₹0.50 million, are uploaded only by the SCSBs;
- K. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the ASBA Account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
- L. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
- M. Ensure that you request for and receive a stamped Acknowledgment Slip in the form of a counterfoil or acknowledgement specifying the application number as a proof of having accepted the of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
- N. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed, and obtain a revised Acknowledgement Slip;
- O. Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;

- P. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular (No. MRD/DoP/Cir-20/2008) dated June 30, 2008 issued by the SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Q. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- R. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
- S. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trusts, etc., the relevant documents, including a copy of the power of attorney, if applicable, are submitted;
- T. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
- U. Since the Allotment will be in demat form only, ensure that the depository account is active, the correct DP ID, Client ID, the PAN, and UPI ID (for UPI Bidders Bidding through UPI Mechanism) and PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI Mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI Mechanism) and PAN available in the Depository database;
- V. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
- W. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;
- X. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process;
- Y. In case of UPI Bidders, once the Sponsor Bank(s) issues the Mandate Request, the UPI Bidders would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
- Z. UPI Bidders Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
- AA. Ensure that when applying in the Offer using the UPI Mechanism, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI;
- BB. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder’s ASBA Account;

- CC. Anchor Investors should submit the Anchor Investor Application Forms to the BRLM;
- DD. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
- EE. Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
- FF. UPI Bidders Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her/its UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorises the Sponsor Bank(s) to block the Bid Amount mentioned in the Bid cum Application Form;
- GG. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. on the Bid/ Offer Closing Date;
- HH. Bids by Eligible NRIs, HUFs and any individuals, corporate bodies and family offices who are FPIs and registered with SEBI for a Bid Amount of less than ₹0.20 million would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount exceeding ₹0.20 million would be considered under the Non-Institutional Portion for allocation in the Offer;
- II. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
- JJ. Ensure that the Demographic Details are updated, true and correct in all respects; and
- KK. Ensure that your PAN is linked with your Aadhaar card, and that you are in compliance with notification dated Feb 13, 2020 and press release dated June 25, 2021 and September 17, 2021, each issued by the Central Board of Direct Taxes.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the list available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Don'ts:

- A. Do not Bid for lower than the minimum Bid size;
- B. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
- C. Do not Bid/revise the Bid Amount to an amount calculated at less than the Floor Price or higher than the Cap Price;
- D. Do not Bid for a Bid Amount exceeding ₹0.20 million (for Bids by Retail Individual Bidders);
- E. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
- F. Do not pay the Bid Amount in cheques, demand drafts, cash, money order, postal order or by stock invest;

- G. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
- H. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
- I. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- J. Do not submit the Bid for an amount more than funds available in your ASBA account;
- K. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
- L. If you are a QIB, do not submit your Bid after 3 p.m. on the Bid/Offer Closing Date for QIBs (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for physical applications);
- M. Do not Bid for Equity Shares in excess of what is specified for each category;
- N. In case of ASBA Bidders and UPI Bidders using UPI mechanism, do not submit more than one Bid cum Application Form per ASBA Account or UPI ID, respectively;
- O. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
- P. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a color prescribed for another category of Bidder;
- Q. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- R. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- S. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations, or under the terms of the Red Herring Prospectus;
- T. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders (subject to the Bid Amount being up to ₹0.20 million), can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
- U. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders (subject to the Bid Amount being up to ₹0.20 million), can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
- V. Do not submit the General Index Register (“GIR”) number instead of the PAN;
- W. Do not submit incorrect details of the DP ID, Client ID, the PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
- X. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- Y. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are RIB and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
- Z. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
- AA. Anchor Investors should not Bid through the ASBA process;

- BB. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
- CC. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
- DD. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
- EE. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;
- FF. In case of ASBA Bidders (other than 3-in-1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹0.50 million;
- GG. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism; and
- HH. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “*General Information*” on page 79.

For helpline details of the BRLM pursuant to SEBI master circular SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025, see ‘*General Information*’ on page 79.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank(s));
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;

12. Bids by RIBs Bidding in the Retail Portion with Bid Amount of a value of more than ₹0.20 million;
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids by QIBs uploaded after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

Further, Bidders shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Red Herring Prospectus and the Prospectus except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than one per cent of the Offer may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the RIBs, NIBs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to the availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

The Allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis, which shall be subject to the following, and in accordance with the SEBI ICDR Regulations: (i) one-third of the Non-Institutional Portion will be available for allocation to Bidders with a Bid size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with a Bid size of more than ₹1.00 million, provided that under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLM, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Account(s). For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favor of:

- (a) In case of resident Anchor Investors: “[●]”; and
- (b) In case of Non-Resident Anchor Investors: “[●]”.

Anchor Investors should note that the escrow mechanism is not prescribed by the SEBI and has been established as an arrangement between our Company, the Promoter Selling Shareholders and the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer and Price Band Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located), each with wide circulation.

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment advertisement

Our Company, the Book Running Lead Manager and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading of the Equity Shares on the Stock Exchanges, disclosing the date of commencement of trading of the Equity Shares on the Stock Exchanges in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered and Corporate Office is located), each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company, the Promoter Selling Shareholders and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalization of the Offer Price but prior to the filing of Prospectus.
- (b) After signing the Underwriting Agreement, the Prospectus will be filed with the RoC in accordance with applicable law. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years). Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- (i) adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors;

- (ii) the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- (iii) all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within the time period of the Bid/Offer Closing Date, as may be prescribed by the SEBI or under any applicable law;
- (iv) if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- (v) the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- (vi) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- (vii) Except for Equity Shares allotted pursuant to the Offer, no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc, other than as disclosed in accordance with Regulation 56;
- (viii) Promoter's contribution, if any, shall be brought in advance before the Bid/Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- (ix) Our Company shall not have any recourse to the proceeds of the Fresh Issue until final listing and trading approvals have been received from the Stock Exchanges;
- (x) that if our Company does not proceed with the Offer after the Bid / Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two working days of the Bid / Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly; and
- (xi) if our Company, in consultation with the BRLM withdraws the Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, it shall be required to file a fresh draft red herring prospectus with the SEBI.

Undertakings by the Promoter Selling Shareholders

The Promoter Selling Shareholders undertake the following:

- (i) they are the legal and beneficial owners of the Equity Shares offered by them in the Offer for Sale;
- (ii) the Offered Shares are free and clear of any encumbrances and shall be transferred to the successful Bidders under applicable law free and clear of any encumbrances;
- (iii) the portion of the Offered Shares offered for sale by the Promoter Selling Shareholders are eligible for being offered in the Offer for Sale in terms of the SEBI ICDR Regulations;
- (iv) they shall provide such reasonable assistance and cooperation as may be reasonably required by our Company and the Book Running Lead Manager in redressal of such investor grievances in relation to their respective Offered Shares and statements specifically made or confirmed by them in this Draft Red Herring Prospectus in relation to themselves as a Promoter Selling Shareholders;
- (v) they shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person (whether related to themselves or not) for making a Bid in the Offer;
- (vi) they shall provide such reasonable support and cooperation as required under applicable law or requested by our Company and/or the Book Running Lead Manager in relation to their respective Offered Shares,

(a) for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges, and/ or (b) refund orders (if applicable); and

- (vii) they shall not have any recourse to the proceeds of the Offer for Sale until final listing and trading approvals have been received from the Stock Exchanges.

The statements and undertakings provided above are statements which are specifically confirmed or undertaken by the Promoter Selling Shareholders in relation to themselves and their respective Offered Shares.

Utilization of Offer Proceeds

Our Company declares that:

- (i) all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- (ii) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed until the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- (iii) details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government of India has from time to time made policy pronouncements on foreign direct investment (“**FDI**”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry Government of India (*earlier known as the Department of Industrial Policy and Promotion*) (“**DPIIT**”) issued the FDI Policy, which with effect from October 15, 2020 consolidated, subsumed superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as of and prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Up to 100% foreign investment under the automatic route is currently permitted for our Company.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Offer Procedure – Bids by Eligible NRIs*” and “*Offer Procedure – Bids by FPIs*” on pages 360 and 360.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Non-debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Non-debt Instruments Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Bid/Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in the Offer. For further details, see “*Offer Procedure*” on page 354.

The Equity Shares issued in the Offer have not been and will not be registered under the U.S. Securities Act, and shall not be offered or sold within the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in ‘offshore transactions’ in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.

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.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholders and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII – DESCRIPTION OF EQUITY SHARES AND MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

HY-TECH ENGINEERS LIMITED

The regulations contained in Table ‘F’ of the First Schedule to the Companies Act, 2013 shall not apply to the Company, except in so far as they are embodied in the following Articles, which shall be regulations for the management of the Company. No clause of the Articles of Association having bearing on the Offer or the disclosures required in this Draft Red Herring Prospectus has been omitted.

1. Interpretations:

1.1 In the interpretation of these Articles, the following words and expressions shall have the meanings assigned hereunder, unless repugnant to the subject matter or context thereof:

Act	Means the Companies Act, 2013 and any statutory modification or re-enactment thereof for the time being in force and Companies Act, 1956 (to the extent not repealed/ not replaced by the Companies Act, 2013), as applicable.
Articles or these Articles	Means the articles of association of the Company, as amended from time to time.
Annual General Meeting	Means a general meeting of the members held in accordance with the provisions of Section 96 of the Act or any adjourned meeting thereof.
Auditors	Means and include those persons appointed as such for the time being by the Company or, where so permitted by Applicable Law, by its Board
Applicable Law	Means the Act, and as appropriate, includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction or any similar form of decision of, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, or mandatory standards as may be applicable from time to time.
Beneficial Owner	Means and include beneficial owner as defined in clause (a) sub-Section (1) of Section 2 of the Depositories Act, 1996.
Board Meeting	Means a meeting of the Directors or a committee thereof, duly called and constituted.
Board or Board of Directors or the Board	Means the board of Directors for the time being of the Company
Chairperson	Shall mean the Person who acts as a chairperson of the Board of the Company
Committee	Means any committee of the Board of Directors of the Company formed as per the requirements of Act or for any other purpose as the Board may deem fit
Company or This Company	Means Hy-Tech Engineers Limited
Chief Executive Officer	Means an officer of a Company, who has been designated as such by the Company
Chief Financial Officer	Means a person appointed as the Chief Financial Officer of a Company
Company Secretary or Secretary	Means a company secretary as defined in clause (c) of sub-Section (1) of section 2 of the Company Secretaries Act, 1980 (56 of 1980) who is appointed by the Company to perform the functions of a company secretary under the Act

Debenture	Includes debenture-stock, bonds and any other debt securities of the Company, whether constituting a charge on the assets of the Company or not.
Depositories Act	Shall mean the Depositories Act, 1996 and includes any statutory modification or enactment thereof
Depository	Shall mean a Depository as defined in clause (e) sub-section (1) of section 2 of the Depositories Act, 1996 and includes a company formed and registered under the Companies Act, 1956 which has been granted a certificate of registration under sub Section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.
Director	Means a director of the Company for the time being, appointed as such.
Dividend	Includes interim dividend.
Extraordinary General Meeting	Means an extraordinary general meeting of the Members duly called and constituted and any adjourned meeting thereof.
Financial Year	Means the same as in Section 2(41) of the Act
Free Reserves	Means such reserves which, as per the latest audited balance sheet of a company, are available for distribution as Dividend: Provided that— (i) any amount representing unrealized gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or (ii) any change in carrying amount of an asset or of a liability recognized in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value, shall not be treated as free reserves
In writing or written	Means and include printing, typing, lithographing, computer mode and other modes of reproducing words in visible form
Independent Director	Means a Director fulfilling the criteria of independence and duly appointed as per Applicable Law.
Key Managerial Personnel	Means such persons as defined in Section 2(51) of Act
Managing Director	Means a Director who, by virtue of the Articles of the Company or an agreement with the Company or a resolution passed in its General Meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a Director occupying the position of managing Director, by whatever name called.
General Meeting	Means a meeting of Members of the Company.
Members	Member in relation to the Company, means- (a) the subscribers to the Memorandum of Association of the Company who shall be deemed to have agreed to become members of the company, and on its registration, shall be entered as member in its register of members, (b) every other person who agrees in writing to become a member of the Company and whose name is entered in the register of members of the Company; (c) every person holding shares in the Company and whose name is entered in as a Beneficial Owner in the records of a Depository.
Memorandum or Memorandum of Association	Means the memorandum of association of the Company, as amended from time to time.
Month	Means a calendar month
Ordinary Resolution	Means a resolution referred to in Section 114 of the Act.
Persons	Includes any artificial juridical person, corporations or such other entities as are entitled to hold property in their own name.
Postal Ballot	Means voting by post through postal papers distributed amongst eligible voters and shall include voting by electronic mode or any other mode as permitted under Applicable Law
Register of Beneficial Owners	Means the register of members in case of shares held with a Depository in any media as may be permitted by law, including in any form of electronic mode

Register of Members	Means the register of Members, including any foreign register which the Company may maintain pursuant to the Act and includes Register of Beneficial Owners.
Registrar	Means the Registrar of Companies of the state in which the Registered and Corporate Office of the Company is for the time being situated
Seal	Means the common seal, if any, adopted for the time being of the Company
Section	Means the relevant section of the Act; and shall, in case of any modification or re-enactment of the Act shall be deemed to refer to any corresponding provision of the Act as so modified or reenacted.
Securities	Means Shares, Debentures and/or such other securities as may be treated as securities under Applicable Law.
Shares	Means the shares into which the Share Capital of the Company is divided.
Share Capital or Capital	Means the share capital for the time being raised or authorized to be raised, for the purpose of the Company
Special Resolution	Means a resolution referred to in Section 114 of the Act.
These Presents	Means the Memorandum of Association and the Articles of Association of the Company.
Tribunal	Means the National Company Law Tribunal constituted under section 408 of the Act
Voting Right	Means the right of a Member of a Company to vote in any meeting of the Company
Written” or “in writing	means and includes the word printed, lithographed, represented in or reproduced in any mode in a visible form
Year	Means the Financial Year of the Company

1.2 Public Limited Company: means as Company which –

- a. is not a private company
- b. has a minimum paid up share capital, as may be prescribed:

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles

1.3 Expressions not specifically defined in these Articles shall bear the same meaning as assigned to the them in the Act.

1.4 In the interpretation of these Articles,

- (a) any reference to the singular shall include the plural and vice-versa; and
- (b) any references to the masculine, the feminine and the neuter shall include each other.

1.5 The marginal notes hereto shall not affect the construction of these Articles.

SHARE CAPITAL, INCREASE AND REDUCTION OF CAPITAL

Amount of Capital

2. The Authorized Share Capital of the Company shall be such as may be specified from time to time in Clause V of the Memorandum of Association, with power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes as permissible in Applicable Law and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by the Board, and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions.

Increase of Capital by the Company

3. Subject to Applicable Law, the Board may, from time to time, increase the paid-up Share Capital by creation of new Shares. Such increase shall be of such aggregate amount and to be divided into such Shares of such respective amounts, as the resolution of the Board shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased Share Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the Board shall determine, and in particular, such Shares may be issued with a preferential or qualified right to dividends, or otherwise, or with a right to participate in some profits or assets of the Company, or with such differential or qualified right of voting at General Meetings of the Company, as permitted in terms of Section 47 of the Act or other Applicable Law.

New Capital part of the existing Capital

4. Except in so far as otherwise provided in the conditions of issue of Shares, any Capital raised by the creation of new Shares shall be considered as part of the existing Capital, and shall be subject to provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

Issue of redeemable preference shares

5. Subject to the provisions of Section 55 of the Act and these Articles, the Company shall have the power to issue redeemable preference Shares liable to be redeemed at the option of the Company and the resolution authorizing such issues shall prescribe the manners, terms and conditions of redemption.

Provisions applicable to any other Securities

6. The Board shall be entitled to issue, from time to time, subject to Applicable Law, any other Securities, including Securities convertible into Shares, exchangeable into Shares, or carrying a warrant, with or without any attached Securities, carrying such terms as to coupon, returns, repayment, servicing, as may be decided by the terms of such issue. Such Securities may be issued at premium or discount, and redeemed at premium or discount, as may be determined by the terms of the issuance: Provided that the Company shall not issue any Shares or Securities convertible into Shares at a discount.

Reduction of Capital

7. The Company may, subject to the provisions of Section 66 of the Act or any other Applicable Law for the time being in force, by way of Special Resolution reduce its Share Capital, any capital redemption reserve account or share premium account in any manner for the time being authorized by law.

Sub-division, consolidation and cancellation of Shares

8. Subject to the provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them, and the resolution where by any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend or otherwise over or as compared with the others. Subject as aforesaid the Company in General Meeting may also cancel Shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Variation of rights

9. Whenever the Share Capital is divided into different types or classes of shares, all or any of the rights and privileges attached to each type or class may, subject to the provisions of Sections 48 of the Act, be varied with the consent in writing by holders of at least three-fourths of the issued Shares of the class or is confirmed by a Special Resolution passed at a separate Meeting of the holders of Shares of that class and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such class Meeting.

Further issue of Capital

10. Where at any time it is proposed to increase the subscribed Capital of the Company by allotment of further Shares, then:

- 10.1. Such further Shares shall be offered to the persons who on the date of the offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the Capital paid-up on those shares at the date.
- 10.2. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
- 10.3. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person and the notice referred to in Article 10.2 hereof shall contain a statement of this right.
- 10.4. After the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the interest of the Company.
11. Notwithstanding anything contained in the Article 10, the further Shares aforesaid may be offered in any manner whatsoever, to:
 - 11.1. employees under a scheme of employees' stock option scheme;
 - 11.2. to any persons on private placement or on preferential basis, whether or not those persons include the persons referred to Article 10, either for cash or for a consideration other than cash, if so decided by a Special Resolution, as per Applicable Law.;
12. Nothing contained in these Articles shall apply to the increase of the subscribed Capital of the Company caused by the exercise of an option attached to the Debenture issued or loan raised by the Company to convert such Debentures or loans into Shares in the Company:

Provided that the terms of issue of such Debentures or the terms of such loans containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in general meeting.

Shares at the disposal of the Directors

13. Subject to the Applicable Law, the Securities of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the Capital of the Company or other Securities on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

Power to issue Shares outside India

14. Pursuant to the provisions of Applicable Law and subject to such approvals, permissions and sanctions as may be necessary from the Government of India, Reserve Bank of India and/or any other authorities or institutions as may be relevant (hereinafter collectively referred to as "**Appropriate Authorities**") and subject to such terms and conditions or such modifications thereto as may be prescribed by them in granting such approvals, permissions and sanctions, the Company will be entitled to issue and allot in the international capital markets, Equity Shares and/or any instruments or securities (including Global Depository Receipts) representing Equity Shares, any such instruments or securities being either with or without detachable Warrants attached thereto entitling the Warrant holder to Equity Shares/instruments or Securities (including Global Depository Receipts) representing Equity Shares, (hereinafter collectively referred to as "the Securities") to be subscribed to in foreign currency / currencies by foreign investors(whether individuals and/or bodies corporate and/or institutions and whether shareholders of the

Company or not) for an amount, inclusive of such premium as may be determined by the Board. Such issue and allotment to be made on such occasion or occasions, at such value or values, or at a premium and in such form and in manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with Lead Manager and/or Underwriters and/or Legal or other Advisors, or as may be prescribed by the Appropriate Authorities while granting their approvals, permissions and sanctions as aforesaid which the Board be and is hereby authorized to accept at its sole discretion. The provisions of this Article shall extend to allow the Board to issue such foreign Securities, in such manner as may be permitted by Applicable Law.

Acceptance of Shares

15. Any application signed by or on behalf of an applicant, for Shares in the Company, followed by an allotment of any Share shall be an acceptance of shares within the meaning of these Articles and every person who, does or otherwise accepts Shares and whose name is on the Register of Members shall for the purpose of these Articles, be a member.

Deposit and call to be a debt payable immediately

16. The money (if any) which the Board shall, on the allotment of any Share being made by them require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of Members

17. Every member, or his heirs, executors or administrators shall pay to the Company the portion of the Capital represented by his Share(s) which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.

Shares not to be held in trust

18. Except as required by law, no person shall be recognized by the Company as holding any Share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.

The first named joint holder deemed to be sole holder

19. If any Share stands in the names of two or more persons, the person first named in the register shall, as regards receipt of dividends or bonus or service of notice and all or any earlier matter connected with the Company, except voting at meetings, be deemed the sole holder thereof, but the joint holders of a Share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such Shares for all incidents thereof according to the Company's regulations.

Register of Members and index

20. The Company shall maintain a Register of Members and index in accordance with Section 88 of the Act. The details of shares held in physical or dematerialized forms may be maintained in a media as may be permitted by law including in any form of electronic media.
21. A member, or other Security holder or Beneficial Owner may make inspection of Register of Members and annual return. Any person other than the Member or Debenture holder or Beneficial Owner of the Company shall be allowed to make inspection of the Register of Members and annual return on payment of Rs. 50 or such higher amount as permitted by Applicable Law as the Board may determine, for each inspection. Inspection may be made during business hours of the Company during such time, not being less than 2 hours on any day, as may be fixed by the Company Secretary from time to time.
22. Such person, as referred to in Article 21 above, may be allowed to make copies of the Register of Members or any other register maintained by the Company and annual return, and require a copy of any specific

extract therein, on payment of Rs. 10 for each page, or such higher amount as permitted under Applicable Law.

Foreign Registers

23. The Company may also keep a foreign register in accordance with Section 88 of the Act containing the names and particulars of the Members, Debenture holders, other Security holders or Beneficial Owners residing outside India; and the Board may (subject to the provisions of aforesaid Section) make and vary such regulations as it may think fit with respect to any such register.

SHARES CERTIFICATES

Share certificate to be numbered progressively and no Share to be subdivided

24. The shares certificates shall be numbered progressively according to their several denominations specify the shares to which it relates and bear the Seal, if any, of the Company and except in the manner hereinbefore mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share certificate shall continue to bear the number by which the same was originally distinguished.

Provided however that the provision relating to progressive or distinctive numbering of shares shall not apply to the shares of the Company which are dematerialized or may be dematerialized in future or issued in future in dematerialized form.

Limitation of time for issue of certificates

25. Subject to the provisions of the Act and other Applicable Law, every Member, other than a Beneficial Owner, shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates each for one or more of such Shares within one months of. Every certificates of Shares shall be under the Seal, if any, of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the Directors may prescribe and approve, provided that in respect of a Share(s) held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holders.

Issue of new certificate in place of one defaced, lost or destroyed

26. If any certificate be worn out, defaced, mutilated, old/ or torn or in case of sub-division or consolidation then upon production and surrender such certificate to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence produced as the Board deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued in case of splitting or consolidation of Share certificate(s) or in replacement of Share certificate(s) that are defaced, mutilated, torn or old, decrepit or worn out without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50 for each certificate) as the Directors shall prescribe.

Further, no duplicate certificate shall be issued in lieu of those that are lost or destroyed, without the prior consent of the Board and only on furnishing of such supporting evidence and/or indemnity as the Board may require, and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence produced, without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50 for each certificate) as the Directors shall prescribe.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956, as amended or any other Act, or rules applicable thereof in this behalf; Provided further that the Company shall comply with the provisions of Section 46 of the Act and other Applicable Law, in respect of issue of duplicate Share certificates.

27. The provision of this Article shall *mutatis mutandis* apply to issue of certificates of Debentures of the Company

BUY BACK OF SECURITIES BY THE COMPANY

28. Notwithstanding anything contained in these Articles but subject to the provisions of the Act and other Applicable Law as prescribed by Securities and Exchange Board of India (SEBI) or any other authority for the time being in force, the Company may purchase its own Shares or other specified Securities. The power conferred herein may be exercised by the Board, at any time and from time to time, where and to the extent permitted by Applicable Law, and shall be subject to such rules, applicable consent or approval as required.

UNDERWRITING AND BROKERAGE

Commission may be paid

29. Subject to the provisions of the Act and other Applicable Law, and subject to the applicable SEBI guidelines and subject to the terms of issue of the Shares or Debentures or any Securities, as defined in the Securities Contract (Regulations) Act, 1956, the Company may, at any time pay a commission out of proceeds of the issue or profit or both to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or Debentures of the Company, or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for Shares, Debentures or of the Company but so that the commission shall not exceed in the case of shares, five per cent of the price at which the Shares are issued, and in the case of Debentures, two and a half per cent of the price at which the Debentures are issued or at such rates as may be fixed by the Board within the overall limit prescribed under the Act or Securities and Exchange Board of India Act, 1992. Such commission may be satisfied by payment in cash or by allotment of fully or partly paid Shares, Securities or Debentures or partly in one way and partly in the other.

Brokerage

30. The Company may, subject to Applicable Law, pay a reasonable and lawful sum for brokerage to any person for subscribing or procuring subscription for any Securities, at such rate as approved by the Directors.

CALL ON SHARES

Directors may make calls

31. The Board of Directors may, from time to time and subject to the terms on which Shares have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, or otherwise as permitted by Applicable Law make such call as it thinks fit upon the Members in respect of all moneys unpaid on the Shares held by them respectively, and each Member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable in instalments.

Notice of calls

32. Each Member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.
33. A call may be revoked or postponed at the discretion of the Board.

Calls to date from resolution

34. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed as provided herein and may be required to be paid by instalments.

Directors may extend time

35. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, but no member shall be entitled to such extension save as a member of grace and favor.

Calls to carry interest

36. If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such percentage as the Board of Directors may determine. Nothing in this Article shall render it obligatory for the Board of Directors to demand or recover any interest from any such member.
37. The Board shall be at liberty to waive payment of any such interest wholly or in part.

Sums deemed to be calls

38. Any sum, which may by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable, on the date on which by the terms of issue the same becomes payable and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.

Proof on trial of suit for money due on Shares

39. At the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member, in respect of whose Shares, the money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the Shares in respect of such money is sought to be recovered, that the resolution making the call is duly recorded in the Minutes Book, and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

Partial payment not to preclude forfeiture

40. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in anticipation of call may carry interest

41. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or Dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.
42. The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debenture or other Securities of the Company.

LIEN

Company to have lien on Shares

43. The Company shall have a first and paramount lien upon all the Shares/ Debentures/Securities (other than fully paid-up Shares/Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures/Securities and no equitable interest in any

Shares shall be created except upon the footing, and upon the condition that this Article will have full effect and any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares/Debentures/Securities:

Provided that, fully paid shares shall be free from all lien and that in case of partly paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

As to enforcing lien by sale

44. For the purpose of enforcing such lien, the Board may sell the Shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their number to execute a transfer thereof on behalf of and in the name of such member. The purchaser of such transferred Shares shall be registered as the holder of the Shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
45. No sale shall be made unless a sum in respect of which the lien exists is presently payable or until the expiration of fourteen days after a notice in writing of the intention to sell shall have been served on such Member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

Application of proceeds of sale

46. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Shares before the sale) be paid to the persons entitled to the Shares at the date of the sale.

FORFEITURE OF SHARE

If call or installment not paid notice may be given

47. If any member fails to pay any call or installment on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or installment remains unpaid, serve notice on such Member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Form of notice

48. The notice shall:
 - 48.1. name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - 48.2. shall detail the amount which is due and payable on the Shares and shall state that in the event of non-payment at or before the time appointed, the Shares will be liable to be forfeited.

If notice not complied with, Shares may be forfeited

49. If the requisitions of any such notice as aforesaid be not complied with, any Shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited Shares and not actually paid before the forfeiture.

Notice of forfeiture to a Member

50. When any Shares shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated, by any omission to give such notice or to make any such entry as aforesaid.

Forfeited Share to become property of the Company

51. Any Share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re-allot or otherwise dispose of the same in such manner as think fit.

Power to annul forfeiture

52. The Board may, at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

Liability on forfeiture

53. Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture of the payment, at such rate as the Board may determine and the Board may enforce the payment thereof, if it thinks fit. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.

Effect of forfeiture

54. The forfeiture of a Share involves extinction, at the time of the forfeiture, of all interest and all claims and demands against the Company in respect of the Share and all other rights, incidental to the Share except only such of those rights as by these Articles are expressly saved.

Evidence of forfeiture

55. A duly verified declaration in writing that the declarant is a Director, the manager or the secretary of the Company, and that certain Shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Shares.

Cancellation of Share certificate in respect of forfeited shares

56. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said Shares to the person or persons, entitled thereto as per the provisions herein.

56.1. The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favor of the person to whom the Share is sold or disposed of.

56.2. The transferee shall thereupon be registered as the holder of the Share; and

56.3. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.

These Articles to apply in case of any non-payment

57. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

EMPLOYEES STOCK OPTIONS

58. Subject to the provisions of Section 62 of the Act and the Applicable Law, the Company may issue options to the any Directors, not being Independent Directors, officers, or employees of the Company, its subsidiaries or its parent, which would give such Directors, officers or employees, the benefit or right to purchase or subscribe at a future date, the Securities offered by the Company at a predetermined price, in terms of schemes of employee stock options or employees share purchase or both: Provided that it will be

lawful for such scheme to require an employee, officer, or Director, upon leaving the Company, to transfer Securities acquired in pursuance of such an option/scheme, to a trust or other body established for the benefit of employees of the Company.

POWER TO ISSUE SWEAT EQUITY SHARES

59. Subject to and in compliance with Section 54 and other Applicable Law, the Company may issue equity Shares to its employees or Director(s) at a discount or for consideration other than cash for providing know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called.

PREFERENTIAL ALLOTMENT

60. Subject to the provisions of Section 62 the Act, read with the conditions as laid down in the Applicable Law, and if authorized by a Special Resolution passed in a General Meeting, the Company may issue Shares, in any manner whatsoever, by way of a preferential offer or private placement. Such issue on preferential basis or private placement should also comply with the conditions as laid down in Section 42 of the Act and/or Applicable law.

CAPITALIZATION OF PROFITS

61. The Company in General Meeting may, upon the recommendation of the Board, resolve:
- 61.1. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts (including capital redemption reserve account), or to the credit of the profit and loss account, otherwise available for distribution or securities premium account; and
 - 61.2. that such sum be accordingly set free for distribution in the manner specified in 61.1 amongst the members who would have been entitled thereto, if distributed by way of Dividend and in the same proportions.
62. The sum aforesaid shall not be paid in cash but shall be applied, subject to applicable provisions contained herein, either in or towards:
- 62.1. paying up any amounts for the time being unpaid on any Shares held by such Members respectively;
 - 62.2. paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
 - 62.3. partly in the way specified in Article 62.1 and partly in that specified in Article 62.1;
 - 62.4. The Board shall give effect to the resolution passed by the members of the Company in pursuance of this Article.
 - 62.5. Whenever such a resolution as aforesaid shall have been passed, the Board shall—
 - 62.5.1. make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
 - 62.5.2. generally, do all such acts and things required to give effect thereto.
63. For the purpose of giving effect to any resolution under Articles 61 and 62, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient.

TRANSFER AND TRANSMISSION OF SHARES

Register of transfers

64. The Company shall keep a register to be called the 'Register of Transfers', and therein shall be fairly and directly entered particulars of every transfer or transmission of any Share. Entries in the register should be authenticated by the secretary of the Company or by any other person authorized by the Board for the purpose, by appending his signature to each entry.

Instruments of transfer

65. The instrument of transfer shall be in writing and duly stamped and in such form as may be prescribed under the Act from time to time and all provisions of Section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of Shares and registration thereof.

To be executed by transferor and transferee

66. Every such instrument of transfer shall be executed both by transferor and the transferee and the transferor shall be deemed to remain the holder of such Shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. The Board shall not issue or register a transfer of any Share in favor of a minor (except in cases when they are fully paid up).
67. Application for the registration of the transfer of a Share may be made either by the transferee or the transferor. Where an application is made by the transferor and relates to partly paid up shares, no registration shall be effected unless the Company gives notice of the application to the transferee subject to the provisions of these Articles, Section 56 of the Act and other Applicable Law, and the transferee gives no objection to the transfer within two weeks from the receipt of the notice. In the event of non-receipt of any objection from the transferee within the period of two weeks as aforesaid, the Company shall enter in the Register the name of transferee in the same manner and subject to the same conditions as it the application for registration of the transfer was made by the transferee.

The Board may, subject to the right of appeal conferred by section 58 decline to register --

- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.

On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transfer books when closed

68. Subject to the applicable provisions of the Act, SEBI Regulations and these Articles, the Board shall have to close the transfer books, the Register of Members, Register of Debenture holders or the Register of other Security holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may deem expedient.

Directors may refuse to register transfer

69. Subject to the provisions of the Act and other Applicable Law, the Board may at its own, discretion, decline to register or acknowledge any transfer of Securities, whether fully paid or not (notwithstanding that the proposed transferee be already a Member), provided in such cases it shall, within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer: Provided that registration of transfer shall not be refused on the ground of the transferor being, either alone or jointly with any person or persons, indebted to the Company on any account whatsoever except where the Company has lien on the Securities.

Directors to recognize Beneficial Owners of securities

70. Notwithstanding anything contained in these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Securities on behalf of a Beneficial Owner.

71. Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of its Securities held by a Depository.
72. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognize any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.

Nomination

73. Every holder of Shares in, or Debentures of the Company may, at any time, nominate, in the manner prescribed under the Act, a person to whom his Shares in or Debentures of the Company shall vest in the event of death of such holder.
74. Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.
75. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or Debentures of the Company, the nominee shall, on the death of the shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.
76. Where the nominee is a minor, it shall be lawful for the holder of the Shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the shares in or Debentures of the Company, in the event of his death, during the minority.

Transmission in the name of nominee

77. Any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any Security holder, or by any lawful means other than by a transfer in accordance with these Presents, may with the consent of the Board of Directors and subject as hereinafter provided, elect, either:
 - 77.1. to be registered himself as holder of the Securities; or
 - 77.2. to make such transfer of the Securities as the deceased Security holder could have made.

Provided nevertheless that it shall be lawful for the Directors in their absolute discretion to dispense with the production of any evidence including any legal representation upon such terms as to indemnity or otherwise as the Directors may deem fit.

78. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the Share before his death or insolvency.
79. If the nominee, so becoming entitled, elects himself to be registered as holder of the Securities, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased Security holder or proof of lunacy, bankruptcy or insolvency of the Security holder, as the case may be, and the certificate(s) of Securities held by such Security holder in the Company.
80. If the person aforesaid shall elect to transfer the Securities, he shall testify his election by executing a transfer of the Securities.

81. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of Securities shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Security holder had not occurred and the notice or transfer were a transfer signed by that Member.
82. A nominee on becoming entitled to Securities by reason of the death of the holder or joint holders shall be entitled to the same Dividend or interest and other advantages to which he would be entitled if he were the registered holder such Securities, except that he shall not before being registered as holder of such Securities, be entitled in respect of them to exercise any right conferred on a Security holder in relation to meetings of the Company.

No transfer to minor, insolvent etc.

83. No transfer shall be made to a minor or person of unsound mind. However, in respect of fully paid up shares, Securities may be transferred in favor of a minor acting through legal guardian, in accordance with the provisions of Applicable Law.

Transfer to be presented with evidence of title

84. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors.

Company not liable for disregard of a notice in prohibiting registration of transfer

85. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or deferred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board of Directors shall so think fit.

DEMATERIALIZATION OF SECURITIES

Dematerialization of Securities

86. The Board shall be entitled to dematerialize its existing Securities or to offer securities in a dematerialized form pursuant to the Depositories Act, 1996, as amended and the rules framed thereunder, if any.

Options for investors

87. Subject to the Applicable Law, every holder of or subscriber to Securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is a Beneficial Owner of the Securities can at any time opt out of a Depository, if permitted by law, in respect of any Securities held by him in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed by law, issue and deliver to the Beneficial Owner, the required certificates for the Securities.

Securities in depositories to be in fungible form

88. All securities held by a Depository shall be dematerialized and be in fungible form.

Service of Documents

89. Notwithstanding anything contained in these Articles to the contrary, where Securities of the Company are held in a Depository, the records of the beneficiary ownership may be served by such Depository on the Company by means of electronic mode

Transfer of securities

90. Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

Allotment of securities dealt with in a Depository

91. Notwithstanding anything contained in these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.

Register and index of Beneficial Owners

92. The Register and Index of Beneficial Owners maintained by Depository under the Depositories Act, 1996, as amended shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

93. Copies of Memorandum and Articles of Association of the Company shall be furnished to every Member within seven days of his request on payment of an amount as may be fixed by the Board to recover reasonable cost and expenses, not exceeding such amount as fixed under Applicable Law.

BORROWING POWERS

Power to borrow

94. Subject to the provisions of these Articles, the Act and other Applicable Law, the Board may, from time to time, at its discretion, by way of a resolution passed at the meeting of Board, accept deposits from its members or otherwise, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money to be borrowed together with the moneys already borrowed; or where a power to delegate the same is available, by a decision/resolution of such delegate, provided that the Board shall not without the requisite sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up Capital of the Company and its free reserves.

Conditions on which money may be borrowed

95. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of bonds, or other Securities, or any mortgage, or other Security on the undertaking of the whole or any part of the property of the Company (both present and future including its uncalled capital for the time being).

Terms of issue of Debentures

96. Any Debentures, Debenture stock, bonds or other Securities may be issued on such terms and conditions as the Board may think fit: Provided that Debenture with a right to allotment or conversion into shares shall be issued in conformity with the provisions of Section 62 of the Act. Debentures, Debenture stock, bonds and other Securities may be made assignable free from any equities from the Company and the person to whom it may be issued. Debentures, Debenture- stock, bonds or other securities with a right of conversion into or allotment of shares shall be issued only with such sanctions as may be applicable.

Instrument of transfer

97. No transfer of Debentures shall be registered unless a proper instrument of transfer duly executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the Debentures: Provided that the Company may issue non-transferable Debentures and accept an assignment of such instruments.

Register of charges, etc.

98. The Board shall cause a proper Register to be kept in accordance with the provisions of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company, and shall cause the

requirements of Sections 77 to 87 of the Act, both inclusive of the Act in that behalf to be duly complied with, so far as they are ought to be complied with by the Board.

Register and index of Debenture holders

99. The Company shall, if at any time it issues Debentures, keep register and index of Debenture holders in accordance with Section 88 of the Act. Subject to the Applicable Law, the Company shall have the power to keep in any State or Country outside India, a register of Debenture-stock holders, resident in that State or Country.

GENERAL MEETINGS

100. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year.
101. Every Annual General Meeting shall be called during business hours, that is, between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situate
102. All General Meetings other than annual general meeting shall be called extraordinary general meeting.
103. In the case of an Annual General Meeting, all businesses to be transacted at the meeting shall be deemed special, with the exception of business relating to:
- 103.1. the consideration of financial statements and the reports of the Board of Directors and Auditors;
 - 103.2. the declaration of any Dividend;
 - 103.3. the appointment of Directors in place of those retiring;
 - 103.4. the appointment of, and the fixing of the remuneration of, the Auditors
104. In case of any other meeting, all business shall be deemed special.
105. The Board may, whenever it thinks fit, call an Extraordinary General Meeting.
106. Where permitted or required by Applicable Law, Board may, instead of calling a meeting of any Members/ class of Members/ Debenture holders, seek their assent by Postal ballot, including e-voting. Such Postal ballot will comply with the provisions of Applicable Law in this behalf.
107. The intent of these Articles is that in respect of seeking the sense of the Members or Members of a class or any Security holders, the Company shall, subject to Applicable Law, be entitled to seek assent of Members, members of a class of Members or any holders of Securities using such use of contemporaneous methods of communication as is permitted by Applicable Law. A written resolution including consent obtained through electronic mode shall be deemed to be sanction provided by the Member, Member of a class or other Security holder by way of personal presence in a meeting.
108. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up Capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.
109. Any meeting called as above by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

E-voting in case of General Meetings

110. Where the Company conducts General Meetings by way of e-voting, the Company shall follow the procedure laid down under the Act and Applicable Law.
111. Where Member has been allowed the option of voting through electronic mode as per Applicable Law, such Member, or Members, who have voted using the electronic facility, generally, shall be allowed to speak at a General Meeting, but shall not be allowed to vote again at the meeting.

Provided that voting may also be allowed to be case by way of post or any other mode which any Applicable Law may allow.

Notice of General Meetings

112. Subject to the Applicable Law, at least 21 clear days' notice of every General Meeting, specifying the day, date, place and hour of meeting, containing a statement of the business to be transacted thereat, shall be given, either in writing or through electronic mode, to every Member or legal representative of any deceased Member or the assignee of an insolvent Member, every Auditor(s) and Director of the Company.
113. A General Meeting may be called at a shorter notice if consented to by either by way of writing or any electronic mode by not less than 95% of the Members entitled to vote at such meeting.

Quorum at General Meeting

114. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business.
115. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.
116. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon the requisition of members shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or to such other day and at such other time and place as the Board may determine subject to Applicable Law and if at such adjourned meeting, a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be quorum and may transact the business for which the meeting was called.

Chairperson at General Meetings

117. The Chairperson, if any, of the Board shall preside as Chairperson at every General Meeting of the Company.
118. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson of the meeting, the Directors present shall elect one among themselves to be Chairperson of the General Meeting.
119. If at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one of themselves to be Chairperson of the General Meeting.
120. No business shall be discussed at any General Meeting except the election of a Chairperson, while the chair is vacant.

Adjournment of Meeting

121. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
122. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
123. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

Voting rights

124. No member shall be entitled to vote either personally or by proxy, at any General Meeting or Meeting of a class of shareholders in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or, in regard to which the Company has, and has exercised any right of lien.

125. Subject to any rights or restrictions for the time being attached to any class or classes of Shares:
- 125.1. on a show of hands, every member present in person shall have one vote; and
 - 125.2. on a poll, the voting rights of Members shall be in proportion to his share in the paid-up equity Share Capital of the Company.
 - 125.3. A Member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.
126. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.
127. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
128. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.
129. No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such General Meeting shall be valid for all purposes.
130. Any such objection made in due time shall be referred to the Chairperson of the General Meeting, whose decision shall be final and conclusive.

Proxy

131. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a member may vote by a representative duly authorized in accordance with Section 113 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member.
132. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; and in default the instrument of proxy shall not be treated as valid.
133. Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a body corporate, under the common seal of such corporate, if any, or be signed by an officer or any attorney duly authorized by it, and any committee or guardian may appoint such proxy. An instrument appointing a proxy shall be in the form as prescribed in terms of Section 105 of the Act.
134. A Member present by proxy shall be entitled to vote only on a poll, except where Applicable Law provides otherwise.
135. The proxy so appointed shall not have any right to speak at the General Meeting.
136. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Maintenance of records and Inspection of minutes of General Meeting by Members

137. Where permitted/required by Applicable Law, all records to be maintained by the Company may be kept in electronic form subject to the provisions of the Act and the conditions as laid down in the Applicable Law. Such records shall be kept open to inspection in the manner as permitted by the Act and Applicable Law. The term 'records' would mean any register, index, agreement, memorandum, minutes or any other document required by the Act and Applicable Law made there under to be kept by the Company.
138. The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
139. Any such minutes shall be evidence of the proceedings recorded therein.
140. The book containing the minutes of proceedings of General Meetings shall be kept at the registered office of the Company and shall be open during business hours, for such periods not being less than 2 hours on any day, as may be fixed by the Company Secretary from time to time, to the inspection of any Member without charge.
141. Any Member of the Company shall be entitled to a copy of minutes of the General Meeting on receipt of a specific request and at a fee of Rs. 10/- (Rupees Ten only) for each page, or such higher amount as the Board may determine, as permissible by Applicable Law.

BOARD OF DIRECTORS

142. Until otherwise determined by a General Meeting and subject to provisions of the Act, the number of directors shall not be less than three or more than fifteen.

Following are the First Directors of the Company:

1. Mr. Hemant Tukaram Mondkar
2. Mr. Navinchandra Manilal Botadra
3. Mr. Shantilal Kalyandas Patel

143. The Directors are not required to hold any qualification shares.
144. Composition of the Board shall be in accordance with the provisions of Section 149 of the Act and other Applicable Laws. Provided that where there are temporary gaps in meeting the requirements of Applicable Law pertaining to composition of Board of Directors, the remaining Directors shall (a) be entitled to transact business for the purpose of attaining the required composition of the Board; and (b) be entitled to carry out such business as may be required in the best interest of the Company in the meantime.

Board's power to appoint Additional Directors

145. Subject to the provisions of Sections 149, 152 and 161 of the Act and Applicable Laws, the Board shall have power at any time, and from time to time, to appoint a person as an additional Director, provided the number of the Directors and additional Directors together shall not at any time exceed the maximum strength fixed for the Board by these Articles.
146. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a Director at that meeting subject to the provisions of the Act or any other law as may be applicable.

Nominee Directors

147. The Company shall, subject to the provisions of the Act and these Articles, be entitled to agree with any Person that he or it shall have the right to appoint his or its nominee on the Board, not being an Independent Director, upon such terms and conditions as the Company may deem fit.

148. Whenever the Company enters into the contract with any government, central, state or local, any bank or financial institution or any person or persons (hereinafter referred to as “**the appointer**”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the Board shall have, subject to the provisions of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such director or directors shall not be liable to retire by rotation nor be required to hold any qualification shares. The directors may also agree that any such director or directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy, which may occur as a result of any such director or directors ceasing to hold that office for any reason whatsoever. The directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any privileges and rights exercised and enjoyed by the directors of the Company including payment of remuneration and travelling expenses to such director or directors as may be agreed by the Company with the appointer.

Appointment of Alternate Directors

149. Subject to the provisions of Section 161 of the Act, the Board may appoint an Alternate Director to act for a Director (hereinafter called “**the Original Director**”) during his absence for a period of not less than three months from India. No person shall be appointed as an Alternate Director in place of an Independent Director unless he is qualified to be appointed as an Independent Director under the Act and Applicable Law. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for the automatic reappointment of any retiring Director in default of another appointment shall apply to the Original Director, and not to the Alternate Director.

For the purpose of absence in the Board meetings in terms of Section 167 (1) (b) of the Act, the period during which an Original Director has an Alternate Director appointed in his place, shall not be considered.

Board’s power to fill casual vacancies

150. Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office if it had not been vacated by him.

Independent Directors

151. Subject to the provisions of the Act and other Applicable Law, the Board or any other Committee as per the Act shall identify potential individuals for the purpose of appointment as Independent Director either from the date bank established under Section 150 of Act or otherwise.
152. The Board on receiving such recommendation shall consider the same and propose his appointment for approval at a General Meeting. The explanatory statement to the notice for such General Meeting shall provide all requisite details as required under the Act.
153. Any casual vacancy in the post of an Independent Director caused by way of removal, resignation, death, vacation of office under Section 167 of the Act and Applicable Law or these Articles, removal from Directorship pursuant to any court order or due to disqualification under Section 164 of Act shall be filled by following the process laid down herein below and in accordance with the Applicable Law. No such casual vacancy shall prejudice the functioning of the Board during the intervening period.
154. Every Independent Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence.
155. The Company and Independent Directors are required to abide by the provisions specified in Schedule IV of the Act.

156. An Independent Director shall not be entitled to any stock option and may receive remuneration by way of sitting fee, reimbursement of expenses for participation in the Board and other meetings and also to such commission based on profits, as may, subject to provisions of Applicable Law, be approved by the Members.
157. An Independent Director shall be held liable, only in respect of such acts of omission or commission by a Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.
158. The provisions relating to retirement of Directors by rotation shall not be applicable to appointment of Independent Directors.

Term of Office of Independent Director

159. Subject to Applicable Law, an Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of a Company, but shall be eligible for reappointment for one more term on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report.
160. No Independent Director shall hold office for more than 2 (two) consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of 3(three) years of ceasing to become an Independent Director provided that he shall not, during the said period of 3 (three) years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Retirement and rotation of Directors

161. At least two-thirds of the total number of Directors, excluding Independent Directors, will be the Directors who are liable to retire by rotation (hereinafter called "**the Rotational Directors**").
162. Subject to the provisions of the Act and these Articles, the managing Director and/or the whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation.
163. At every Annual General Meeting of the Company, one-third of the Rotational Directors, or if their number is not three or a multiple of three, then, the number nearest to one-third, shall retire from office.
164. A retiring Director shall be eligible for re-election.

Resignation of Directors

165. Subject to the provisions of Applicable Law, a Director may resign from his office by giving a notice in writing to the Company and Board shall take note of the same. The fact of such resignation shall be mentioned in the report of Directors laid in the immediately following Annual General Meeting by the Company.
166. A Managing Director or a Whole-time Director or any Executive Director who has any terms of employment with the Company shall not give any notice of resignation in breach of the conditions of employment as may be applicable, either to a Director specifically, or to employees of the Company generally. A nominee Director shall not give any notice of resignation except through the nominating person.
167. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later:
Provided that the Director who has resigned shall be liable even after his resignation for the offences which occurred during his tenure.

Removal of Directors

168. Any Director of the Company, except the one appointed by the National Company Law Tribunal, may be removed by way of Ordinary Resolution before the expiry of his term of office, subject to the provisions of Section 169 of Act.

Remuneration of Directors

169. Subject to the provisions of Section 197 of the Act, a Director may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

Provided that where the Company takes a Directors' and Officers' Liability Insurance, specifically pertaining to a particular Director and/or officer, then the premium paid in respect of such insurance, for the period during which a Director and/or officer has been proved guilty, will be treated as part of remuneration paid to such Director and/or officer.

170. The Board or a relevant Committee constituted for this purpose shall seek to ensure that the remuneration paid to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
171. The fees payable to a Director for attending the meetings of the Board or Committee thereof shall be such sum as may be decided by the Board of Directors from time to time within the maximum limit as prescribed under the Act and Applicable Law. Fee shall also be paid for attending any separate meeting of the Independent Directors of the Company in pursuance of any provision of the Act. Fee shall also be payable for participating in meetings through permissible electronic mode.
172. In addition to the remuneration payable pursuant to Section 197 of the Act, the Directors may be paid all conveyance, hotel and other expenses properly incurred by them:
- 172.1. in attending and returning from meetings of the Board of Directors or any Committee thereof or general meetings of the Company; or
- 172.2. in connection with the business of the Company.

Directors may act notwithstanding any vacancies on Board

173. The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by these Articles, the continuing Directors may act for the purpose of increasing the number of Directors to the minimum number fixed by these Articles or for summoning a General Meeting for the purpose increasing the number of Directors to such minimum number, but for no other purpose.

Vacation of office of Director

174. The office of a Director shall ipso facto be vacated:
- 174.1. on the happening of any of the events as specified in Section 167 of the Act.
- 174.2. if a person is a Director of more than the number of Companies as specified in the Act at a time;
- 174.3. in the case of alternate Director, on return of the original Director in terms of Section 161 of the Act;
- 174.4. having been appointed as a Director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, he ceases to hold such office or other employment in that company;
- 174.5. if he is removed in pursuance of Section 169 of the Act;
- 174.6. any other disqualification that the Act for the time being in force may prescribe.

Notice of candidature for office of Directors except in certain cases

175. No person, not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some Member intending to propose him as a Director, has, not less than fourteen days before the General Meeting, left at the registered office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office along with the requisite deposit of Rs. 1,00,000/- (Rupees One Lakh only) or such higher amount as the Board may determine, as permissible by Applicable Law.
176. Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director, shall sign and file with the Company, the consent in writing to act as a Director, if appointed.

Director may contract with the Company

177. Subject to such sanctions as required by Applicable Law, a Director or any related party as defined in Section 2 (76) of the Act or other Applicable Law may enter into any contract or any arrangement with the Company.
178. Unless so required by Applicable Law, no sanction shall, however, be necessary for any contracts with a related party entered into on arm's length basis. Where a contract complies with such conditions or indicia of arms' length contracts as laid down in a policy on related party transactions framed by the Board in accordance with the Applicable Law, the contract shall be deemed to be a contract entered into on arm's length basis.

Disclosure of interest

179. A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184(2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other body corporate where the Director of the Company either himself or in association with any other Director hold or holds less than two per cent of the shareholding in such other body corporate.

Interested Director not to participate or vote in Board's proceeding

180. Subject to the provisions of Section 184 of the Act, no Director shall as Director take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void.

Register of contracts in which Directors are interested

181. The Company shall keep a register of contracts or arrangements in which directors are interested in accordance with the provisions of Act. Such register shall be kept at the registered office of the Company and shall be preserved permanently be kept in the custody of the Company Secretary of the Company or any other person authorized by the Board for the purpose.
182. Such a Register shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be provided to a Member of the Company on his request, within seven days from the date on which such request is made and upon the payment of Rs. 10 (Rupees Ten only) per page, as such higher amount as may be laid by the Board, as permitted by Applicable Law.

Register of Directors and Key Managerial Personnel and their shareholding

183. The Company shall keep at its registered office a register containing the particulars of its Directors and Key Managerial Personnel, which shall include the details of Securities held by each of them in the Company or its holding, subsidiary, subsidiary of Company's holding Company or associate companies in accordance to Section 170 of the Act and Applicable Law.

Miscellaneous

184. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

PROCEEDINGS OF THE BOARD

Meetings of Board

185. The Directors may meet together as a Board from time to time for the conduct of the business of the Company, adjourn or otherwise regulate its meetings, as it thinks fit.

186. A meeting of the Board shall be called by giving not less than seven days' notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic mode.
187. The notice of the meeting shall inform the Directors regarding the option available to them to participate through electronic mode, and shall provide all the necessary information to enable the Directors to participate through such electronic mode.
188. Certain matters, as may be specified under the Applicable Law from time to time, shall not be dealt with in a meeting of the Board through video conferencing or other audio visual means.
189. A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting, or in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one Independent Director.
190. The Board shall so meet at least once in every four months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.
191. Every Director present at any meeting of the Board or of a Committee thereof shall sign his name in a book to be kept for that purpose. The names of Directors who have participated in Board meetings through electronic mode shall be entered and initialled by the Company Secretary, stating the manner in which the Director so participated

Meetings of Board by Video/audio-visual conferencing

192. Subject to the provisions of the Act and Applicable Law, the Directors may participate in meetings of the Board otherwise through physical presence, electronic mode as the Board may from time to time decide and Directors shall be allowed to participate from multiple locations through modern communication equipment for ascertaining the views of such Directors who have indicated their willingness to participate by such electronic mode, as the case may be.

Regulation for meeting through electronic mode

193. The Board may, by way of a resolution passed at a meeting, decide the venues where arrangements may be made by the Company, at the Company's cost, for participation in Board meetings through electronic mode, as the case may be, in accordance to the provisions of the Act and Applicable Law. In case of a place other than such places where Company makes arrangements as above, the Chairperson may decline the right of a Director to participate through electronic mode in view of concerns of security, sensitivity and confidentiality of Board proceedings. Where the Chairperson so permits a Director to participate from a place other than the designated places where the Company has made the arrangements, the security and confidentiality of the Board proceedings shall be the responsibility of the Director so participating, and the cost and expense in such participation, where agreed to by the Chairperson, may be reimbursed by the Company.
194. Subject as aforesaid, the conduct of the Board meeting where a Director participates through electronic mode shall be in the manner as laid down in Applicable Law.
195. The rules and regulations for the conduct of the meetings of the Board, including for matters such as quorum, notices for meeting and agenda, as contained in these Articles, in the Act and/or Applicable Law, shall apply to meetings conducted through electronic mode, as the case may be.
196. Upon the discussions being held by electronic mode, as the case may be, the Chairperson or the Company Secretary shall record the deliberations and get confirmed the views expressed, pursuant to circulation of the draft minutes of the meeting to all Directors to reflect the decision of all the Directors participating in such discussions.

197. Subject to provisions of Section 173 of the Act and the Applicable Laws, a Director may participate in and vote at a meeting of the Board by means of electronic mode which allows all persons participating in the meeting to hear and see each other and record the deliberations. Where any Director participates in a meeting of the Board by any of the means above, the Company shall ensure that such Director is provided with a copy of all documents referred to during such Board meeting prior to the commencement of this Board Meeting.

When can a meeting be convened

198. The Managing Director or a Director may, and the Manager or Company Secretary upon the requisition of Director(s) shall, at any time, summon a meeting of the Board.

Chairperson for Board Meetings

199. The Board may elect a Chairperson, and determine the period for which he is to hold office. The Managing Director may also be appointed by the Board as the Chairperson.
200. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their numbers to be Chairperson of the meeting.

Quorum

201. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of the Section 174 of the Act. If a quorum is not present within fifteen minutes from the time appointed for holding a meeting of the Board it shall be adjourned until such date and time as the Chairperson of the Board shall decide.

Exercise of powers to be valid in meetings where quorum is present

202. A meeting of the Board of which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board, or in accordance with Section 179 of the Act, the powers of the Company.

Matter to be decided on majority of votes

203. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the Chairperson of the Board shall have a second or casting vote.

Power to appoint Committee and to delegate powers

204. The Board may, subject to the provisions of the Act, from time to time and at any time delegate any of its powers to committees consisting of such Director or Directors as it thinks fit, and may from time to time revoke such delegation. Unless a power of the Board is not capable of being delegated, such power may be delegated by the Board to any officer or committee of officers as the Board may determine.
205. Any committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board.
206. The meetings and the proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board.

Resolution without Board Meeting/ Resolution by Circulation

207. Save as otherwise expressly provided in the Act to be passed at a meeting of the Board and subject to Section 175 of the Act or Applicable Laws, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee of the Board, as the case may be, at their addresses registered with the Company in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be), and has been approved by a majority of the Directors or members as are entitled to vote on the resolution.

Provided that, where not less than one-third of the total number of Directors of the Company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a Board Meeting.

Provided further that where the resolution has been put to vote at a Board Meeting, the consent or dissent of the Directors obtained by way of resolution by circulation shall be rendered void and given effect to.

Acts of Board / Committee valid notwithstanding formal appointment

208. All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained or in these Articles, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

Minutes of proceedings of meeting of Board

209. The Company shall cause minutes of proceedings of every meeting of the Board and Committee thereof to be kept in such form by making within thirty days of the conclusion of every such meeting, entries thereof in the books kept for that purpose with their pages consecutively numbered in accordance to Section 118 of the Act or Applicable Laws.
210. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting.
211. In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise, if the minutes are kept in physical form.
212. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
213. Where the meeting of the Board takes place through electronic mode, the minutes shall disclose the particulars of the Directors who attended the meeting through such means. The draft minutes of the meeting shall be circulated among all the Directors within fifteen days of the meeting either in writing or in electronic mode as may be decided by the Board and/or in accordance with Applicable Laws.
214. Every Director who attended the meeting, whether personally or through electronic mode, shall confirm or give his comments in writing, if any, about the accuracy of recording of the proceedings of that particular meeting in the draft minutes, within seven days or some reasonable time as decided by the Board, after receipt of the draft minutes failing which his approval shall be presumed.
215. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.
216. The minutes shall also contain:
- 216.1. The names of the Directors present at the meeting; and
 - 216.2. In the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.
217. Nothing contained in these Articles shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairperson of the meeting:
- 217.1. is, or could reasonably be regarded as defamatory of any person.
 - 217.2. is irrelevant or immaterial to the proceedings; or
 - 217.3. is detrimental to the interest of the Company.

218. The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this Article.
219. Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
220. Any Director of the Company may requisition for physical inspection of the Board Meeting minutes in accordance with the Applicable Law.

Powers of Board

221. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act and Applicable Law made thereunder, or any other Act, or by the Memorandum, or by these Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act and the Applicable Law made thereunder, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting; but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
222. The Board may subject to Section 186 of the Act and provisions of Applicable Law made thereunder shall by means of unanimous resolution passed at meeting of Board from time to time, invest, provide loans or guarantee or security on behalf of the Company to any person or entity.

Restriction on powers of Board

223. The Board of Directors shall exercise the following powers subject to the approval of Company by a Special Resolution:
- 223.1. to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings;
- 223.2. to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
- 223.3. to borrow money, where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up Share Capital and free-reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business;
- 223.4. to remit, or give time for the repayment of, any debt due from a Director.

Contribution to charitable and other funds

224. The Board of Directors of a Company may contribute to bona fide charitable and other funds. A prior permission of the Company in general meeting by way of ordinary resolution shall be required for if the aggregate of such contributions in a financial year exceeds 5 % (five percent) of its average net profits for the three immediately preceding financial years

Absolute powers of Board in certain cases

225. Without prejudice to the general powers conferred by Section 179(3) of the Act or Applicable Laws and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in these Articles or the Applicable Law, it is hereby declared that the Directors shall have the following powers; that is to say, power:
- 225.1. To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- 225.2. To pay any interest lawfully payable under the provisions of Section 40 of the Act.
- 225.3. To act jointly and severally in all on any of the powers conferred on them.

- 225.4. To appoint and nominate any Person(s) to act as proxy for purpose of attending and/or voting on behalf of the Company at a meeting of any Company or association.
- 225.5. To comply with the provisions of Applicable Law which in their opinion shall, in the interest of the Company be necessary or expedient to comply with.
- 225.6. To make, vary and repeal bye-laws for regulation of business of the Company and duties of officers and servants.
- 225.7. Subject to Sections 179 and 188 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- 225.8. Subject to the provisions of the Act and Applicable Laws, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in Shares, bonds, Debentures, mortgages, or other securities of the Company, and such Shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon all or any part of the property of the Company and its uncalled Capital or not so charged;
- 225.9. To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled Capital for the Company being or in such manner as they may think fit;
- 225.10. To accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed;
- 225.11. To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of Debenture or Debenture stock, perpetual or otherwise charged upon all or any of the Company's property (both present and future).
- 225.12. To open and deal with current account, overdraft accounts with any bank/banks for carrying on any business of the Company.
- 225.13. To appoint any Person (whether incorporated or not) to accept and hold in trust for the Company and property belonging to the Company, in which it is interested, or for any other purposes; and execute such deeds and do all such things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- 225.14. To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company.
- 225.15. To refer any claims or demands or differences by or against the Company or to enter into any contract or agreement for reference to arbitration, and observe, enforce, perform, compound or challenge such awards and to take proceedings for redressal of the same.;
- 225.16. To act as trustees in composition of the Company's debtors and/or act on behalf of the Company in all matters relating to bankrupts and insolvents;
- 225.17. To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- 225.18. Subject to the provisions of Sections 179 and 186 of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they think fit, and from time to time to vary the size of such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name;

- 225.19. To execute in the name and on behalf of the Company in favor of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- 225.20. To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purpose;
- 225.21. Subject to provisions of Applicable Law, to give a Director or any officer or any other person whether employed or not by the Company, share or shares in the profits of the Company, commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;
- 225.22. To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions; funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit;
- 225.23. To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;
- 225.24. Before recommending any Dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund, or Sinking fund, or any Special Fund to meet contingencies or to repay Debentures or Debenture stock, or for special dividends or for equalized dividends or for repairing, improving, extending and maintaining any of the property of the Company or for such other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expand all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the reserve into such special Funds as the Board may think fit, with full power to transfer the whole, or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division, of a Reserve Fund and with full power to employ the assets constituting all or any of the above Funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debentures or Debenture stock, and without being bound to keep the same, separate from the other assets, and without being bound to pay interest on the same with power, however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.
- 225.25. Subject to the provisions of the Act to appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisor, clerks, agents and servants of permanent, temporary or special services as they may for time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India, or elsewhere in such manner as they think fit; and the provisions contained in the four next

following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.

- 225.26. To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary or expedient to comply with;
- 225.27. Subject to applicable provisions of the Act and Applicable Law, to appoint purchasing and selling agents for purchase and sale of Company's requirement and products respectively.
- 225.28. From time to time and at any time to establish any local board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to the members of such local boards and to fix their remuneration.
- 225.29. Subject to Section 179 & 180 of the Act from time to time and at any time, delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow or moneys, and to authorize the Members for the time being of any such local board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- 225.30. At any time and from time to time by power of attorney under the Seal, if any, of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these Presents and excluding the powers to make calls and excluding also, except in their limits authorized by the Board, the power to make loans and borrow money') and for' such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favor of the members or any of the Members of any Local Board, established as aforesaid or in favor of any Company, or the Shareholders, Directors, nominees or managers of any Company or firm or otherwise in favor of any fluctuating body of persons whether nominated directly by the Board and any such power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;
- 225.31. Subject to Sections 184 and 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, agreements and to execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;
- 225.32. Subject to the provisions of the Act, the Board may pay such remuneration to Chairperson / Vice Chairperson of the Board upon such conditions as they may think fit.
- 225.33. To take insurance of any or all properties of the Company and any or all the employees and their dependants against any or all risks.
- 225.34. To take insurance on behalf of its managing Director, whole-time Director, manager, Chief Executive Officer, Chief Financial Officer or Company Secretary or any officer or employee of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

MANAGING DIRECTOR

Board may appoint Managing Director(s)

226. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its member or members as Managing Director(s) of the Company for fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit and subject to the provisions of these Articles the Board may by resolution vest in such Managing Director(s) such of the

powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine.

227. Subject to the Article above, the powers conferred on the Managing Director shall be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as the Board may think fit and it may confer such powers either collateral with or to the exclusion of and in substitution of all or any of the powers of the Board in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers. The Managing Director shall not exercise any powers under Section 179 of Act except such powers which can be delegated under the Act and specifically delegated by a resolution of the Board.

Restriction on Management

228. The Board of Directors may, subject to Section 179 of the Act, entrust to and confer upon a Managing or whole time Director any of the powers exercisable by them, upon such terms and conditions and with such restrictions, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.

Remuneration to Managing Directors/ Whole time Directors

229. A Managing or whole time Director may be paid such remuneration, whether by way of monthly payment, or participation in profits, or by any or all these modes, or any other mode not expressly prohibited by the Act, as the Board of Directors may determine.

POWER TO AUTHENTICATE DOCUMENTS

230. Subject to the Applicable Law, any Director or the Company Secretary or any officer appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any books, records, documents and accounts relating to the business of the Company and to certify copies or extracts thereof; and where any books, records documents or accounts are then, at the office, the local manager or other officer of the Company having the custody thereof, shall be deemed to be a person appointed by the Board as aforesaid.
231. Document purporting to be a copy of resolution of the Board or an extract from the minutes of meeting of the Board which is certified as such in accordance with the provisions of the preceding Article shall be conclusive evidence in favor of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be that extract is a true and accurate records of a duly constituted meeting of the Directors.

THE SEAL

232. The Board may, in its absolute discretion, adopt a common seal for the Company.
233. The Board shall provide for the safe custody of the Seal, if adopted and shall have the power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. The Company shall also be at liberty to have an official Seal for use in any territory, district or place outside India.
234. The Seal of the Company, if any, shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf, and except in the presence of such Directors or such other person as the Board may specify/appoint for the purpose; and the Director.

MANAGEMENT OUTSIDE INDIA AND OTHER MATTERS

235. Subject to the provisions of the Act, the following shall have effect:
- 235.1. The Board may from time to time provide for the management of the affairs of the Company outside India (or in any specified locality in India) in such manner as it shall think fit and the

provisions contained in the four next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.

- 235.2. Subject to the provisions of the Act, the Board may at any time establish any local Directorate for managing any of the Delegation. affairs of the Company outside India, and may appoint any person to be member of any such local Directorate or any manager or agents and may fix their remuneration and, save as provided in the Act, the Board may at any time delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board and such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit and the Board may at any time remove any person so appointed and annual or vary any such delegations.
- 235.3. The Board may, at any time and from time to time by power of attorney under Seal, if any, appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those which may be delegated by the Board under the Act and for such period and subject to such conditions as the Board may, from time to time, thinks fit, and such appointments may, if the Board thinks fit, be made in favor of the members or any of members of any local Directorate established as aforesaid, or in favor of the Company or of the members, Directors, nominees or officers of the Company or firm or In favor of any fluctuating body of persons whether nominated directly or indirectly by the Board, and any such Power of Attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys as the Board thinks fit.
- 235.4. Any such delegate or Attorney as aforesaid may be authorized by the Board to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.
- 235.5. The Company may exercise the power conferred by the Act with regard to having an Official seat for use abroad, and such powers shall be vested in the Board, and the Company may cause to be kept in any state or country outside India, as may be permitted by the Act, a Foreign Register of Member or Debenture holders residents in any such state or country and the Board may, from time to time make such regulations not being inconsistent with the provisions of the Act, and the Board may, from time to time make such provisions as it may think fit relating thereto and may comply with the requirements of the local law and shall In any case comply with the provisions of the Act.

DIVIDENDS AND RESERVE

Division of profits

236. The profits of the Company, subject to any special rights as to dividends or authorized to be created by these Articles, and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of Capital paid-up on the Shares held by them respectively.

The Company in general meeting may declare a Dividend

237. The Company in general meeting may declare dividends to be paid to members according to their respective rights, but no Dividend shall exceed the amount recommended by the Board; the Company in general meeting may, however declare a smaller Dividend. No Dividend shall bear interest against the Company.

Dividend only to be paid out of profits

238. Subject to the provisions of the Act, the Dividend can be declared and paid only out of:
- 238.1. Profits of the financial year, after providing depreciation;
- 238.2. Accumulated profits of the earlier years, after providing for depreciation;
- 238.3. Out of monies provided by Central or State Government for payment of Dividend in pursuance of a guarantee given by the Government.
239. If the Company has incurred any loss in any previous financial year or years, the amount of the loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived

at in both cases after providing for depreciation in accordance with the provisions of the Act, or against both.

Transfer to reserve

240. The Board may, before recommending any Dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
241. Such reserve, being free reserve, may also be used to declare dividends in the event the Company has inadequate or absence of profits in any financial year, in accordance to Section 123 of the Act and Applicable Law made in that behalf. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Interim Dividend

242. Subject to the provisions of Section 123 of the Act and Applicable Law, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the Company.

Calls in advance not to carry rights to participate in profits

243. Where Capital is paid in advance of calls such Capital may carry interest but shall not in respect thereof confer a right to Dividend or participate in profits.

Payment of pro rata Dividend

244. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid; but if any Share is issued on terms providing that it shall rank for Dividend as from a particular date such Share shall rank for Dividend accordingly.

Deduction of money owed to the Company

245. The Board may deduct from any Dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

Rights to Dividend where shares transferred

246. A transfer of Share shall not pass the right to any Dividend declared thereon before the registration of the transfer.

Dividend to be kept in abeyance

247. The Board may retain the dividends payable in relation to such Shares in respect of which any person is entitled to become a Member by virtue of transmission or transfer of Shares and in accordance sub-Section (5) of Section 123 of the Act or Applicable Law. The Board may also retain dividends on which Company has lien and may apply the same towards satisfaction of debts, liabilities or engagements in respect of which lien exists.

Notice of Dividend

248. Notice of any Dividend that may have been declared shall be given to the persons entitled to Share therein in the manner mentioned in the Act.

Manner of paying Dividend

249. Subject to the Applicable Law, any Dividend, interest or other monies payable in cash in respect of shares may be paid by any electronic mode to the shareholder entitled to the payment of the Dividend, or by way of cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

250. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or Warrant or pay-slip or receipt lost in transmission, or for any Dividend lost to the member of person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay-slip or receipt or the fraudulent recovery of the Dividend by any other means.

Receipts for Dividends

251. Any one of two or more joint holders of a Share may give effective receipts for any dividends, bonuses or other monies payable in respect of such Share.

Non-forfeiture of unclaimed Dividend

252. No unclaimed Dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with the provision of Sections 124 and 125 of the Act in respect of all unclaimed or unpaid dividends.

ACCOUNTS

Directors to keep true accounts

253. The Company shall keep at the registered office or at such other place in India as the Board thinks fit, proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Act.
254. Where the Board decides to keep all or any of the Books of Account at any place in India other than the registered office of the Company the Company shall within seven days of the decision file with the Registrar a notice in writing giving, the full address of that other place.
255. The Company shall preserve in good order the books of account relating to the period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Account.
256. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the preceding Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its registered office or at any other place in India, at which the Company's Books of Account are kept as aforesaid.
257. The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting. The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.

Preparation of revised financial statements or Boards' Report

258. Subject to the provisions of Section 131 of the Act and the Applicable Law made thereunder, the Board may require the preparation of revised financial statement of the Company or a revised Boards' Report in respect of any of the three preceding financial years, if it appears to them that (a) the financial statement of the Company or (b) the report of the Board do not comply with the provisions of Section 129 or Section 134 of the Act.

Places of keeping accounts

259. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors.
260. No member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.

AUDIT

Auditors to be appointed

261. Statutory Auditors and Cost Auditors, if any, shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act and Applicable Laws. Where applicable, a Secretarial Auditor shall be appointed by the Board and their rights and duties regulated in accordance with Sections 204 of the Act and Applicable Laws.
262. Subject to the provisions of Section 139 of the Act and Applicable Laws made thereunder, the Statutory Auditors of the Company shall be appointed for a period of five consecutive years, subject to ratification by members at every annual general meeting. Provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons as may be recommended by the Board, in accordance with Section 140 of the Act or Applicable Laws.

Remuneration of Auditors

263. The remuneration of the Auditors shall be fixed by the Company in Annual general meeting or in such manner as the Company in general meeting may determine.

DOCUMENTS AND NOTICES

Service of documents and notice

264. A document or notice may be served or given by the Company on any member either personally or sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him or by way of any electronic transmission, as prescribed in Section 20 of the Act and Applicable Law made thereunder.
265. Where a document or notice is sent by post, services of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of the doing so, service of the documents or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of Notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

Notice to whom served in case of joint shareholders

266. A document or notice may be served or given by the Company on or given to the joint-holders of a Share by serving or giving the document or notice on or to the joint-holders named first in the Register of Members in respect of the Share.

Notice to be served to representative

267. A document or notice may be served or given by the Company on or to the persons entitled to a Share in consequence of the death or insolvency of a member by sending it through post in a prepaid letter addressed to him or them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

Service of notice of General Meetings

268. Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore on or to (a) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member, (b) every Director of the Company and (c) the Auditor(s) for the time being of the Company.

Members bound by notice

269. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such shares, which previously to his name

and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such shares.

Documents or notice to be signed

270. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorized by the Board of Directors for such purpose and the signatures thereto may be written, printed or lithographed.

WINDING UP

271. Subject to the provisions of the Act and Applicable Law:

- 271.1. If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, but subject to the rights attached to any preference Share Capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction shall think fit.
- 271.2. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- 271.3. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

BONAFIDE EXERCISE OF MEMBERSHIP RIGHTS

272. Every Member and other Security holder will use rights of such Member/ Security holder as conferred by Applicable Law or these Articles bonafide, in best interest of the Company or for protection of any of the proprietary interest of such Member/security holder, and not for extraneous, vexatious or frivolous purposes. The Board shall have the right to take appropriate measures, and in case of persistent abuse of powers, expulsion of such Member or other Security holder, in case any Member/Security holder abusively makes use of any powers for extraneous, vexatious or frivolous purposes

INDEMNITY

273. For the purpose of this Article, the following expressions shall have the meanings respectively assigned below:
- 273.1. **“Claims”** means all claims for fine, penalty, amount paid in a proceeding for compounding or immunity proceeding, actions, prosecutions, and proceedings, whether civil, criminal or regulatory;
- 273.2. **“Indemnified Person”** shall mean any Director, officer or employee of the Company, as determined by the Board, who in bonafide pursuit of duties or functions or of honest and reasonable discharge any functions as a Director, officer or employees, has or suffers any Claims or Losses, or against whom any Claims or Losses are claimed or threatened;
- 273.3. **“Losses”** means any losses, damages, cost and expense, penalties, liabilities, compensation or other awards, or any settlement thereof, or the monetary equivalent of a non-monetary suffering, arising in connection with any Claim;

Indemnification

274. Where Board determines that any Director, officer or employee of the Company should be an Indemnified Person herein, the Company shall, to the fullest extent and without prejudice to any other indemnity to which the Indemnified Person may otherwise be entitled, protect, indemnify and hold the Indemnified Person harmless in respect of all Claims and Losses, arising out of, or in connection with, the actual or purported exercise of, or failure to exercise, any of the Indemnified Person's powers, duties or responsibilities as a Director or officer of the Company or of any of its subsidiaries, together with all reasonable costs and expenses (including legal and professional fees).
275. The Company shall further indemnify the Indemnified Person and hold him harmless on an 'as incurred' basis against all legal and other costs, charges and expenses reasonably incurred in defending Claims including, without limitation, Claims brought by, or at the request of, the Company and any investigation into the affairs of the Company by any judicial, governmental, regulatory or other body.
276. The indemnity herein shall be deemed not to provide for, or entitle the Indemnified Person to, any indemnification against:
- 276.1. Any liability incurred by the Indemnified Person to the Company due to breach of trust, breach of any statutory or contractual duty, fraud or personal offence of the Indemnified Person;
- 276.2. Any liability arising due to any benefit wrongly availed by the Indemnified Person;
- 276.3. Any liability on account of any wrongful information or misrepresentation done by the Indemnified Person
277. The Indemnified Person shall continue to be indemnified under the terms of the indemnities in this Deed notwithstanding that he may have ceased to be a Director or officer of the Company or of any of its subsidiaries.

SECRECY

278. Every manager, Auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board of Directors, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all bonafide transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge In the discharge of his duties except when required to do so by the Directors or by any general meeting or by the law of the country and except so far as maybe necessary in order to comply with any of the provisions in these Presents and the provisions of the Act.
279. Subject to the provisions of these Articles and the Act, no member, or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or to examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be expedient in the interest of the Company to communicate.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Draft Red Herring Prospectus which will be delivered to the RoC for filing. Copies of the abovementioned contracts and the documents and contracts for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Draft Red Herring Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date). Copies of the documents for inspection referred to hereunder, will also be available on the website of the Company at www.hy-techengineers.com from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date). Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions of the Companies Act and other applicable law.

A. Material Contracts for the Offer

- 1) Offer Agreement dated September 4, 2025 entered into between our Company, Promoter Selling Shareholders and the BRLM.
- 2) Registrar Agreement dated September 1, 2025 entered into amongst our Company, Promoter Selling Shareholders and the Registrar to the Offer.
- 3) Cash escrow and sponsor bank agreement dated [●] amongst our Company, Promoter Selling Shareholders, the Registrar to the Offer, the BRLM, the Escrow Collection Bank(s), Public Issue Account Bank(s), Sponsor Banks and the Refund Bank(s).
- 4) Share Escrow Agreement dated [●] entered into between the Selling Shareholders, our Company and the Share Escrow Agent.
- 5) Syndicate agreement dated [●] amongst our Company, Promoter Selling Shareholders, the BRLM, the Syndicate Members and the Registrar to the Offer.
- 6) Underwriting agreement dated [●] amongst our Company, Promoter Selling Shareholders and the Underwriters.

B. Material Documents

- 1) Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
- 2) Certificate of incorporation dated December 18, 1978 issued by the RoC;
- 3) Fresh certificate of incorporation dated March 23, 2022 issued by the RoC consequent to conversion into public limited company;
- 4) Resolution of the Board of Directors dated July 22, 2025 approving the Offer and other related matters.
- 5) Shareholders' resolution dated July 26, 2025 approving the Offer and other related matters.
- 6) Resolution of the Board of Directors September 4, 2025 approving this Draft Red Herring Prospectus.
- 7) Resolution of the Board of Directors dated August 20, 2025, taking on record the approval for the Offer for Sale by the Promoter Selling Shareholders

- 8) Resolution dated September 4, 2025 passed by the Audit Committee approving the key performance indicators for disclosure.
- 9) The examination report dated July 22, 2025 from the Statutory Auditors on our Restated Consolidated Financial Information.
- 10) Statement of possible tax benefits dated September 4, 2025 issued by the Statutory Auditors.
- 11) Consent dated September 3, 2025 from the Independent Chartered Engineer, Nandkishor P. Kalekar, to include his name as required under Section 26(1) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013.
- 12) Consents of our Promoters, Directors, Company Secretary and Compliance Officer, Statutory Auditors, Legal Counsel to the Issuer, Banker(s) to the Offer, BRLM, Syndicate Member, Registrar to the Offer, Banker to our Company, to act in their respective capacities.
- 13) Consent Letter dated September 4, 2025 from M/s. Nayan Parikh & Co., Chartered Accountants, holding a valid peer review certificate from the ICAI, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus and as an ‘expert’ as defined under Section 2(38) of Companies Act, 2013 in respect of the certificates issued by them in their capacity as an independent chartered accountant to our Company.
- 14) Consent dated September 4, 2025 from CARE to contents or any part thereof report titled “*Industry Research report on Hydraulic Fittings Industry*” dated September 2025 in this Draft Red Herring Prospectus.
- 15) Report titled “*Industry Research report on Hydraulic Fittings Industry*” dated September 2025, prepared and issued by CARE and commissioned by our Company for an agreed fee.
- 16) Certificate dated September 4, 2025 issued by Nayan Parikh & Co., Chartered Accountants certifying the KPIs of our Company.
- 17) Agreement dated March 26, 2025 executed between the Managing Director and our Company.
- 18) Tripartite agreement dated April 18, 2022 between our Company, NSDL and Registrar to the Offer.
- 19) Tripartite agreement dated April 12, 2022 between our Company, CDSL and Registrar to the Offer.
- 20) Due diligence certificate dated September 4, 2025 addressed to SEBI from the BRLM.
- 21) In-principle listing approvals dated [●] and [●], issued by BSE and NSE, respectively.
- 22) Final observation letter bearing number [●] dated [●] issued by SEBI.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, notice to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

I, hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Hemant Tukaram Mondkar
Chairman and Managing Director

Date: September 4, 2025

Place: Thane

DECLARATION

I, hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Surekha Hemant Mondkar
Executive Director

Date: September 4, 2025

Place: Thane

DECLARATION

I, hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Ashwin Hemant Mondkar
Non-Executive Director

Date: September 4, 2025

Place: Virginia, USA

DECLARATION

I, hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Vivek Sadashiv Patwardhan
Independent Director

Date: September 4, 2025

Place: Thane

DECLARATION

I, hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Satish Prabhakar Kulkarni
Independent Director

Date: September 4, 2025

Place: Thane

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Chetan Ramesh Sapre
Independent Director

Date: September 4, 2025

Place: Thane

DECLARATION

I, hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Nandeeta Vengsarkar Wagh
Additional Independent Director

Date: September 4, 2025

Place: Thane

DECLARATION

I, hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sunil Satwani
Chief Financial Officer

Date: September 4, 2025

Place: Thane

DECLARATION BY PROMOTER SELLING SHAREHOLDER

I, Hemant Tukaram Mondkar, acting as a Promoter Selling Shareholder hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, as a Promoter Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

Hemant Tukaram Mondkar

Date: September 4, 2025

Place: Thane

DECLARATION BY PROMOTER SELLING SHAREHOLDER

I, Surekha Hemant Mondkar jointly with Hemant Tukaram Mondkar, acting as a Promoter Selling Shareholder hereby confirm that all statements, disclosures and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, as a Promoter Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

Surekha Hemant Mondkar

Hemant Tukaram Mondkar

Date: September 4, 2025

Place: Thane